

DELEUM BERHAD (715640-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2015

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DELEUM BERHAD (715640-T)
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**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2015**

RM'000	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	QUARTER ENDED 30/09/2015 Unaudited	QUARTER ENDED 30/09/2014 Restated Unaudited	YEAR-TO-DATE ENDED 30/09/2015 Unaudited	YEAR-TO-DATE ENDED 30/09/2014 Restated Unaudited
Continuing operations				
Revenue	128,772	187,616	446,574	451,476
Cost of sales	(96,773)	(140,745)	(341,230)	(334,202)
Gross profit	31,999	46,871	105,344	117,274
Other operating income	578	631	1,664	1,459
Selling and distribution costs	(6,385)	(7,262)	(21,460)	(21,211)
Administrative expenses	(12,170)	(12,670)	(37,760)	(36,845)
Other operating gains	3,098	783	3,457	1,678
Operating profit	17,120	28,353	51,245	62,355
Finance costs	(1,822)	(1,287)	(5,794)	(2,398)
Share of results of a joint venture (net of tax)	175	0	788	0
Share of results of associates (net of tax)	726	2,680	5,982	10,579
Profit before tax	16,199	29,746	52,221	70,536
Income tax expense	(3,640)	(8,161)	(11,054)	(17,538)
Profit from continuing operations	12,559	21,585	41,167	52,998
Discontinued operation				
(Loss) / profit from discontinued operation, (net of tax) (B14)	0	(278)	1,041	(562)
Profit for the period	12,559	21,307	42,208	52,436
Other comprehensive income				
Currency translation differences	987	69	1,471	(174)
Total comprehensive income for the period	13,546	21,376	43,679	52,262
Profit attributable to:				
- Equity holders of the Company	9,056	16,834	34,372	42,526
- Non-controlling interests	3,503	4,473	7,836	9,910
	12,559	21,307	42,208	52,436
Total comprehensive income attributable to:				
- Equity holders of the Company	9,356	16,851	34,839	42,430
- Non-controlling interests	4,190	4,525	8,840	9,832
	13,546	21,376	43,679	52,262
Earnings per share (EPS) attributable to equity holders of the Company (sen)				
- Basic EPS (Restated)				
- From continuing operations	2.26	4.28	8.33	10.77
- From discontinued operation	0.00	(0.07)	0.26	(0.14)
	<u>2.26</u>	<u>4.21</u>	<u>8.59</u>	<u>10.63</u>
- Diluted EPS				
- From continuing operations	2.25	4.26	8.29	10.72
- From discontinued operation	0.00	(0.07)	0.26	(0.14)
	<u>2.25</u>	<u>4.19</u>	<u>8.55</u>	<u>10.58</u>

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

DELEUM BERHAD (715640-T)
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UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2015

RM'000	As at 30/09/2015 Unaudited	As at 31/12/2014 Audited
ASSETS		
Property, plant and equipment	232,920	229,723
Investment properties	871	888
Intangible assets	3,107	3,235
Associates	48,436	40,645
Joint venture	27,035	0
Deferred tax assets	5,672	2,839
Non-current Assets	318,041	277,330
Inventories	22,376	28,302
Amounts due from associates	10	4,335
Amount due from a joint venture	189	0
Trade receivables	178,389	226,667
Deferred cost	2,714	8,393
Other receivables, deposits and prepayments	20,063	17,693
Tax recoverable	4,808	4,410
Restricted cash	10,928	723
Cash and cash equivalents	63,254	75,016
	302,731	365,539
Assets classified as held for sale	0	27,266
Current Assets	302,731	392,805
TOTAL ASSETS	620,772	670,135
EQUITY AND LIABILITIES		
Share capital	200,000	200,000
Equity - share based payment	144	0
Retained earnings	134,219	127,843
Merger deficit	(50,000)	(50,000)
Foreign currency translation	(2,583)	(3,050)
Equity attributable to equity holders of the Company	281,780	274,793
Non-controlling interests	24,708	30,129
Total Equity	306,488	304,922
Borrowings	86,115	104,587
Deferred tax liabilities	18,974	15,888
Non-current Liabilities	105,089	120,475
Trade payables	106,233	135,441
Deferred revenue	4,721	8,245
Other payables and accruals	27,938	46,937
Amounts due to associates	7,691	0
Amount due to a joint venture	325	0
Dividend payable	1,699	530
Taxation	152	816
Borrowings	60,436	50,784
	209,195	242,753
Liabilities classified as held for sale	0	1,985
Current Liabilities	209,195	244,738
Total Liabilities	314,284	365,213
TOTAL EQUITY AND LIABILITIES	620,772	670,135

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

DELEUM BERHAD (715640-T)
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UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2015

	←----- Attributable to equity holders of the Company ----->						Non-controlling interests	Total equity	
	Issued and fully paid ordinary shares of RM0.50 each / RM1.00 each		-----Non-distributable-----		Distributable				
	Number of shares '000	Nominal value RM'000	Share based payment RM'000	Foreign currency translation RM'000	Merger deficit RM'000	Retained earnings RM'000			Total RM'000
At 1 January 2014	150,000	150,000	43	(3,142)	(50,000)	145,019	241,920	29,326	271,246
Profit for the financial period	0	0	0	0	0	42,526	42,526	9,910	52,436
Other comprehensive income for the period	0	0	0	(96)	0	0	(96)	(78)	(174)
Total comprehensive income for the period	0	0	0	(96)	0	42,526	42,430	9,832	52,262
Share based payment	0	0	26	0	0	0	26	0	26
Dividend	0	0	0	0	0	(26,500)	(26,500)	(7,876)	(34,376)
Bonus issue	50,000	50,000	0	0	0	(50,000)	0	0	0
At 30 September 2014	<u>200,000</u>	<u>200,000</u>	<u>69</u>	<u>(3,238)</u>	<u>(50,000)</u>	<u>111,045</u>	<u>257,876</u>	<u>31,282</u>	<u>289,158</u>
At 1 January 2015	400,000	200,000	0	(3,050)	(50,000)	127,843	274,793	30,129	304,922
Profit for the financial period	0	0	0	0	0	34,372	34,372	7,836	42,208
Other comprehensive income for the period	0	0	0	467	0	0	467	1,004	1,471
Total comprehensive income for the period	0	0	0	467	0	34,372	34,839	8,840	43,679
Share based payment	0	0	144	0	0	0	144	0	144
Dividend	0	0	0	0	0	(28,000)	(28,000)	(11,088)	(39,088)
Change in ownership interest in a subsidiary (B15)	0	0	0	0	0	4	4	(3,173)	(3,169)
At 30 September 2015	<u>400,000</u>	<u>200,000</u>	<u>144</u>	<u>(2,583)</u>	<u>(50,000)</u>	<u>134,219</u>	<u>281,780</u>	<u>24,708</u>	<u>306,488</u>

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

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UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2015

RM'000	YEAR-TO-DATE ENDED	
	30/09/2015	30/09/2014
	Unaudited	Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	42,208	52,436
<u>Adjustments for:</u>		
Impairment for doubtful debts:		
- impairment made	576	933
- write back of impairment	(301)	(491)
Allowance for slow moving inventories:		
- write back of allowance made	(32)	(58)
Amortisation of intangible assets	660	513
Amortisation cost on financial liabilities	(11)	0
Depreciation:		
- property, plant and equipment	20,993	13,897
- investment properties	17	18
Bad debts written off:		
- trade receivables	105	0
Provision for liquidated damages		
- provision made	2	272
Gain on disposals of property, plant and equipment	(162)	0
Write-off:		
- property, plant and equipment	0	1
- inventories	0	18
Interest income	(859)	(863)
Finance cost	5,822	2,513
Share based payment expense	144	26
Share of results of associates	(5,982)	(10,579)
Share of results of a joint venture	(788)	0
Tax expense	11,032	17,362
Unrealised foreign exchange losses / (gains)	(6,512)	(1,743)
Gain from sale of discontinued operation	(1,127)	0
Operating profit before working capital changes	65,785	74,255
<u>Changes in working capital</u>		
Inventories	5,958	(1,800)
Trade receivables	58,601	(29,500)
Deferred cost	5,679	4,379
Other receivables, deposits and prepayments	(3,320)	(3,860)
Trade payables	(37,175)	12,378
Other payables and accruals	(19,518)	23,204
Deferred revenue	(3,524)	(2,608)
Cash generated from operations	72,486	76,448
Tax paid	(12,129)	(15,199)
Tax refunded	252	4,446
Interest received	857	848
Interest paid	(5,705)	(2,505)
Net cash generated from operating activities	55,761	64,038

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UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2015 (CONTINUED)

RM'000	YEAR-TO-DATE ENDED	
	30/09/2015	30/09/2014
	Unaudited	Unaudited
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment		
- Purchases	(24,296)	(104,411)
- Proceeds from disposals	493	1
- Deposits paid	0	(4,818)
Purchases of intangible assets	(531)	(915)
Dividend received from associates	4,332	13,181
Amount due from associates	(7)	3
Amount due from a joint venture	(447)	0
Amount due to associates	7,691	0
Amount due to a joint venture	419	0
Net cash used in investing activities	(12,346)	(96,959)
CASH FLOWS FROM FINANCING ACTIVITIES		
Revolving credit		
- Drawn down	7,500	1,500
- Repayment	(6,000)	0
Term loan		
- Drawn down	0	83,733
- Repayment	(12,450)	(1,883)
Loans against import		
- Drawn down	6,083	0
- Repayment	(4,077)	0
Repayment of hire purchase under finance lease	(25)	(25)
Acquisition of non-controlling interest (B15)	(3,169)	0
Dividends paid to:		
- Shareholders	(27,774)	(26,500)
- Non-controlling interest	(10,145)	(7,876)
Increase in restricted cash	(10,205)	(187)
Net cash (used in) / generated from financing activities	(60,262)	48,762
Net (decrease) / increase in cash and cash equivalents	(16,847)	15,841
Foreign currency translation	5,262	197
Disposal of discontinued operation (B14)	(5,878)	0
Cash and cash equivalents at beginning of period	80,717	73,197
Cash and cash equivalents at end of period	63,254	89,235
COMPOSITION OF CASH AND CASH EQUIVALENTS		
Short term deposits	41,645	67,371
Cash and bank balances	32,537	22,577
	74,182	89,948
Restricted cash	(10,928)	(713)
Cash and cash equivalents at end of period	63,254	89,235

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