



SAMCHEM HOLDINGS BERHAD

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

INTERIM FINANCIAL REPORT

FOR THE QUARTER ENDED

31 DECEMBER 2012

SAMCHEM HOLDINGS BERHAD

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2012**

	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Quarter	Corresponding	Year	Corresponding
	31-Dec-12	Quarter	To Date	Period
	RM'000	31-Dec-11	31-Dec-12	31-Dec-11
		RM'000	RM'000	RM'000
Revenue	122,497	127,089	526,471	507,395
Operating expenses	(120,921)	(124,508)	(509,050)	(479,962)
Operating income	<u>659</u>	<u>2,439</u>	<u>2,743</u>	<u>5,228</u>
Operating profit	2,235	5,020	20,164	32,661
Finance cost	(1,845)	(1,734)	(7,305)	(6,884)
Shares of profit of associates	<u>36</u>	<u>(305)</u>	<u>(50)</u>	<u>(187)</u>
Profit before tax	426	2,981	12,809	25,590
Tax expense	<u>(31)</u>	<u>(254)</u>	<u>(3,592)</u>	<u>(6,418)</u>
Profit for the period	<u><u>395</u></u>	<u><u>2,727</u></u>	<u><u>9,217</u></u>	<u><u>19,172</u></u>
Other comprehensive income:				
Currency translation differences	(48)	109	(78)	350
Changes in fair value of available-for-sale financial assets	1	5	4	(13)
Other comprehensive income for the period, net of tax	<u>(47)</u>	<u>114</u>	<u>(74)</u>	<u>337</u>
Total comprehensive income for the period	<u><u>348</u></u>	<u><u>2,841</u></u>	<u><u>9,143</u></u>	<u><u>19,509</u></u>
Profit attributable to:				
-Owners of the parent	566	2,967	8,614	17,778
-Non controlling interest	<u>(171)</u>	<u>(240)</u>	<u>603</u>	<u>1,394</u>
	<u>395</u>	<u>2,727</u>	<u>9,217</u>	<u>19,172</u>
Total comprehensive income attributable to:				
-Owners of the parent	507	3,108	8,598	18,033
-Non controlling interest	<u>(159)</u>	<u>(268)</u>	<u>545</u>	<u>1,476</u>
	<u>348</u>	<u>2,841</u>	<u>9,143</u>	<u>19,509</u>
Earnings per share-basic (sen)	<u>0.42</u>	<u>2.18</u>	<u>6.33</u>	<u>13.07</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial report.

SAMCHEM HOLDINGS BERHAD

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As At 31-Dec-12 RM'000	Audited As At 31-Dec-11 RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	34,834	35,452
Investment properties	2,171	2,195
Prepaid land lease payments	515	622
Intangible assets	557	557
Investment in associates	833	3,607
Quoted investments	43	39
Unquoted investments	773	744
Deferred tax assets	691	325
	<u>40,417</u>	<u>43,541</u>
Current Assets		
Non-current asset held for sale	4,206	-
Inventories	57,307	50,286
Trade and other receivables	115,668	125,605
Tax recoverables	1,226	1,420
Cash and bank balances	48,803	45,373
	<u>227,210</u>	<u>222,684</u>
Total Assets	<u>267,627</u>	<u>266,225</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	68,000	68,000
Share premium	954	954
Reserves	33,802	33,786
Total shareholders' equity	<u>102,756</u>	<u>102,740</u>
Non controlling interest	2,043	2,974
Total Equity	<u>104,799</u>	<u>105,714</u>
Non Current Liabilities		
Borrowings	10,116	8,318
Retirement benefits obligations	201	108
Deferred tax liabilities	298	631
	<u>10,615</u>	<u>9,057</u>
Current Liabilities		
Trade and other payables	35,349	37,035
Derivative liability	-	178
Borrowings	116,542	113,960
Taxation	322	281
Total Current Liabilities	<u>152,213</u>	<u>151,454</u>
Total Liabilities	<u>162,828</u>	<u>160,511</u>
Total Equity and Liabilities	<u>267,627</u>	<u>266,225</u>
Net assets per ordinary share attributable to	<u>0.76</u>	<u>0.76</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial report.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2012

	Current Year to Date 31-Dec-12 RM'000 (Unaudited)	Preceding year Corresponding Period 31-Dec-11 RM'000 (Unaudited)
Cash Flows from operating activities		
Profit before taxation	12,809	25,590
Adjustment for:		
Depreciation and amortisation	2,983	2,744
Share of (profits)/losses in associated	50	187
Fair value (gain)/loss on derivative financial instruments	(178)	227
Unrealised loss/(gain) on foreign exchange	451	(1,171)
Gain on disposal of PPE and investment property	(210)	(1,257)
Gain on disposal of quoted shares	-	(33)
Interest income	(772)	(953)
Interest expenses	7,305	6,884
Impairment loss on trade receivables	396	212
Other non-cash items	240	110
Operating profit before working capital changes	<u>23,074</u>	<u>32,540</u>
Changes in working capital:		
Receivable	8,306	(4,408)
Inventories	(7,453)	(3,291)
Payables	(614)	(1,398)
Cash generated from operations	<u>23,313</u>	<u>23,443</u>
Income taxes paid	<u>(3,926)</u>	<u>(7,182)</u>
Net cash generated from operating activities	<u>19,387</u>	<u>16,261</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,093)	(3,779)
Proceeds from disposal of property, plant and equipment	720	1,784
Proceeds from disposal of quoted shares	-	133
Dividend received from associated company	2,640	-
Acquisition of non-controlling interest	(4,574)	-
Interest received	744	953
Net cash used in investing activities	<u>(7,563)</u>	<u>(909)</u>
Cash flows from financing activities		
Net drawdown/(repayment) of borrowings	5,415	58
Interest paid	(7,305)	(6,884)
Proceeds from issuances of shares by subsidiary to non-controlling shareholders	-	920
Dividend paid to non controlling shareholders	(45)	(81)
Dividend paid to shareholders of the Company	(5,440)	(4,760)
Net cash used in financing activities	<u>(7,375)</u>	<u>(10,747)</u>
Net increase in cash and cash equivalents	4,449	4,605
Cash and cash equivalents at the beginning of period	33,971	29,306
Net effect of exchange rate changes	14	58
Cash and cash equivalents at the end of period	<u>38,434</u>	<u>33,969</u>
Cash and cash equivalents comprise:		
Cash and bank balances	48,803	45,373
Bank overdraft	<u>(10,369)</u>	<u>(11,404)</u>
	<u>38,434</u>	<u>33,969</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial report.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2012**

	← Attributable to owners of the parent →							Total Shareholders' Equity	Non Controlling Interest	Total Equity
	Share Capital	Share Premium	Capital Reserve	Reverse Acquisition Reserve	Translation Reserve	Fair Value Reserve	Retained Profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			
Balance at 1 January 2012	68,000	954	82	(40,725)	135	4	74,290	102,740	2,974	105,714
Acquisition of non-controlling interest	-	-	-	-	-	-	(3,142)	(3,142)	(1,432)	(4,574)
Transfer from capital reserve	-	-	(82)	-	-	-	82	-	-	-
Dividend paid to non-controlling shareholders of the subsidiaries	-	-	-	-	-	-	-	-	(45)	(45)
Dividend paid	-	-	-	-	-	-	(5,440)	(5,440)	-	(5,440)
Total changes in equity for the period	-	-	(82)	-	-	-	(8,500)	(8,582)	(1,477)	(10,059)
Profit for the period	-	-	-	-	-	-	8,614	8,614	603	9,217
Other comprehensive income for the period	-	-	-	-	(20)	4	-	(16)	(57)	(73)
Total comprehensive income for the period	-	-	-	-	(20)	4	8,614	8,598	546	9,144
Balance at 31 December 2012	68,000	954	-	(40,725)	115	8	74,404	102,756	2,043	104,799

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2011**

	← Attributable to owners of the parent →							Total Shareholders' Equity	Non Controlling Interest	Total Equity
	Share Capital	Share Premium	Capital Reserve	Reverse Acquisition Reserve	Translation Reserve	Fair Value Reserve	Retained Profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			
Balance at 1 January 2011	68,000	954	82	(40,725)	(133)	17	61,272	89,467	659	90,126
Issuance of shares by a subsidiary to non-controlling interest	-	-	-	-	-	-	-	-	920	920
Dividend paid to non-controlling shareholders of the subsidiaries	-	-	-	-	-	-	-	-	(81)	(81)
Dividend paid	-	-	-	-	-	-	(4,760)	(4,760)	-	(4,760)
Total changes in equity for the period	-	-	-	-	-	-	(4,760)	(4,760)	839	(3,921)
Profit for the period	-	-	-	-	-	-	17,778	17,778	1,394	19,172
Other comprehensive income for the period	-	-	-	-	268	(13)	-	255	82	337
Total comprehensive income for the period	-	-	-	-	268	(13)	17,778	18,033	1,476	19,509
Balance at 31 December 2011	68,000	954	82	(40,725)	135	4	74,290	102,740	2,974	105,714

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial report.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2012

A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING

A1. Accounting Policies and Basis of Preparation

The unaudited interim financial report has been prepared in accordance with MFRS 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2011 except for the first time adoption of Malaysian Financial Reporting Standards ("MFRS") Framework.

The Group has adopted the new MFRS Framework issued by the Malaysian Accounting Standards Board ("MASB") with effect from 1 January 2012. This MFRS Framework comprises International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

In the transition to the MFRS Framework, the Group has applied MFRS 1 "First-time Adoption of MFRS" which provides certain optional exemptions and certain mandatory exceptions for first-time MFRS adopters. As the former FRSS are virtually identical to the MFRSS, adoption of most of the MFRSS has no significant effect to the Group's results and financial position.

As of 1 January 2012 the following MFRSS, Amendments to MFRSS and IC Interpretation were issued but not yet effective and have not been applied by the Group:

MFRS 9	Financial Instruments
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 127 (revised)	Separate Financial Statements
MFRS 128 (revised)	Investments in Associates and Joint Ventures
Amendments to MFRS 1	Government Loans
Amendments to MFRS 7	Disclosures-Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income
Amendments to MFRS 119	Employee Benefits
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine

A2. Auditors' report

There was no qualification on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2011.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2012

A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING

A3. Seasonal or cyclical factors

The principal business operations of the Group are not significantly affected by seasonal or cyclical factors.

A4. Items of unusual nature and amount

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence in the current quarter under review and financial year-to-date.

A5. Material changes in estimates

There were no changes in estimates that have a material effect in the current quarter under review and financial year-to-date.

A6. Issuance, cancellation, repurchase, resale and repayment of debt and equity securities

There have been no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter under review and financial year-to-date.

A7. Dividends paid

A first and final single tier dividend of 4.0 sen per share in respect of the financial year ended 31 December 2011 has been approved at the Annual General Meeting of the Company on 25 May 2012 and paid on 24 July 2012.

A8. Segmental information

Business Segments

The Group operates solely in the business segment involving the distribution of industrial chemicals with operations in the blending of customized solvents.

Geographical Segments

The Group's activities are segmented based on the location of its subsidiaries. The subsidiaries are located in Malaysia, Indonesia, Vietnam and Singapore. Segment revenue is based on the management reports of the subsidiaries.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2012**A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING**

A8. Segmental information (Cont'd)

Analysed by geographical segments:

Segment Revenue	Current Quarter 31-Dec-12 RM'000	Preceding Year Corresponding Quarter 31-Dec-11 RM'000	Current Year To Date 31-Dec-12 RM'000	Preceding Year Corresponding Period 31-Dec-11 RM'000
Malaysia	104,905	117,553	482,322	459,696
Indonesia	15,398	22,918	66,209	84,302
Vietnam	21,084	22,319	84,786	70,525
Singapore	328	-	1,551	-
Total revenue including inter-segment sales	141,715	162,790	634,868	614,523
Elimination of inter-segment sales	(19,218)	(35,701)	(108,397)	(107,128)
Total revenue	122,497	127,089	526,471	507,395
Segment Result				
Malaysia	572	4,493	10,531	22,161
Indonesia	(64)	(138)	(1,036)	2,942
Vietnam	(111)	(1,069)	3,465	674
Singapore	(7)	-	(101)	-
Share of profit/(loss) of associates				
-Malaysia	36	(345)	(50)	(132)
-Indonesia	-	40	-	(55)
Profit before tax	426	2,981	12,809	25,590

A9. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current quarter under review and financial year-to-date.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2012

A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING

A10. Capital commitments

	As at 31-Dec-12 RM'000
Capital expenditure:	
Approved and contracted for:	
Property, plant and equipment	<u>83</u>
Approved but not contracted for:	
Property, plant and equipment	<u>-</u>

A11. Material events subsequent to the end of period reported

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

A12. Changes in the composition of the Group

There were no changes in the composition of the Group in the current quarter under review and financial year-to-date.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2012**A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING****A13. Changes in contingent liabilities and contingent assets**

There were no changes in the contingent liabilities and contingent assets since the Statement of Financial Position as at 31 December 2011 except for the following:

	RM'000
As At 31 December 2011:	126,022
Changes during the period:	
Corporate guarantee provided by the Company to financial institutions in respect of financing facilities granted to local subsidiaries	345
Corporate guarantee provided by the Company to overseas financial institutions in respect of financing facilities granted to foreign subsidiaries	7,098
Corporate guarantee provided by the Company to suppliers in respect of credit facilities granted to local subsidiaries	(3,294)
Corporate guarantee provided by the Company to suppliers in respect of credit facilities granted to a foreign subsidiary	(8,894)
As At 31 December 2012	<u><u>121,277</u></u>

A14. Related party transactions

The Group has the following transactions with the related parties during the current quarter under review and financial year-to-date.

	Current Quarter 31-Dec-12 RM'000	Current Year To Date 31-Dec-12 RM'000
Purchase of products*	692	4,177
Sales of products*	134	1,748

* Company in which a director of the subsidiaries have substantial financial interests

In the opinion of the Directors, the above transactions have been entered into in the ordinary course of business and have been established under terms no less favorable than those transacted with unrelated parties.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2012

B. ADDITIONAL INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Performance review

(i) Current Quarter

The Group recorded revenue of RM122.50 million for the current quarter under review, compared to RM127.09 million for the corresponding quarter in the preceding year, which represents a decrease of 3.61%. The decrease is mainly due to lower revenue generated by local subsidiaries as well as the Indonesia subsidiary as a result of greater market competition.

The Group recorded a lower profit before tax for the current quarter under review of RM0.43 million, representing a decrease of RM2.55 million compared to the profit before tax of RM2.98 million for the corresponding quarter in the preceding year. The decline in profit before tax is mainly due to the lower revenue generated in the current quarter under review. In addition, the Group recorded a gain from disposal of properties of RM1.26 million in the preceding year.

(ii) Year-to-date

The Group recorded revenue of RM526.47 million for the current financial year-to-date, compared to RM507.40 million for the previous financial year-to-date, which represents an increase of 3.76%. The increase in revenue in the current financial year-to-date compared to the previous financial year-to-date is mainly due to higher revenue generated by local subsidiaries as well as Vietnam and Singapore subsidiaries.

The Group recorded a lower profit before tax for the current financial year-to-date of RM12.81 million, which represents a decrease of RM12.78 million compared to the profit before tax of RM25.59 million in the previous corresponding period. The decline in profit before tax is mainly due to more competitive sales pricing which result in a lower gross profit margin in the current financial year-to-date compared to the previous financial year-to-date.

B2. Material changes in profit before taxation for the current quarter as compared with the immediate preceding quarter

The Group recorded a lower profit before tax for the current quarter under review of RM0.43 million as compared to the immediate preceding quarter of RM2.93 million due to increase in operating expenses in the current quarter under review.

B3. Prospects for the current financial year

Barring any unforeseen circumstances, the Group and the Directors expect that the Group's performance will be positive for the forthcoming year.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2012**B. ADDITIONAL INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B4. Variance between actual profit and forecast profit**

The Group did not issue any profit forecast in a public document during the current financial period.

B5. Profit for the period

Profit for the period is arrived at after charging/(crediting):

	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Quarter	Corresponding	Year	Corresponding
	31-Dec-12	31-Dec-11	To Date	Period
	RM'000	RM'000	RM'000	31-Dec-11
				RM'000
Interest income	(228)	(272)	(772)	(953)
Gain on disposal of property, plant and equipment	2	(1,064)	(210)	(1,257)
Gain on disposal of quoted investment	-	(10)	-	(33)
Interest expense	1,845	1,734	7,305	6,884
Depreciation and amortization	815	713	2,983	2,744
Foreign exchange (gain)/loss-realised	(714)	2,266	2,410	3,778
Foreign exchange (gain)/loss-unrealised	874	(929)	451	(1,171)
(Gain)/loss on derivatives-unrealised	-	(41)	-	227
Impairment loss on trade receivables	396	212	396	212

B6. Taxation

	Current Year Quarter	Current Year To Date
	31-Dec-12	31-Dec-12
	RM'000	RM'000
Current tax expense	77	4,298
Deferred tax expense	(46)	(706)
	<u>31</u>	<u>3,592</u>

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2012**B. ADDITIONAL INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B6. Taxation (Cont'd)**

The effective tax rate for the current quarter under review was lower than the statutory tax rate mainly due to reinvestment allowance claimed by a subsidiary. The effective tax rate for the financial year-to-date was higher than the statutory tax rate mainly due to certain non-deductible expenses.

B7. Status of corporate proposal

On 27 April 2012, the Company entered into a Share Sale Agreement with a non-controlling shareholder to acquire a 33% equity interest in PT Samchem Prasandha for cash consideration of USD1,386,000 (equivalent to RM4,394,000). The transaction was completed on 31 May 2012 and the Company now holds 93% equity interest in PT Samchem Prasandha.

On 20 June 2012, the Company entered into a Share Sale Agreement with a non-controlling shareholder to acquire a 30% equity interest in TN Industries Sdn Bhd for cash consideration of RM180,000. The Company now holds 100% equity interest in TN Industries Sdn Bhd.

B8. Group borrowings and debt securities

The Group's borrowings as 31 December 2012 are as follows:-

Secured	RM'000
Long term borrowings:-	
Term loans	9,344
Hire purchase creditors	772
	<u>10,116</u>
Short term borrowings:-	
Bank overdrafts	10,369
Bankers acceptances	86,225
Trade loans	4,326
Term loans	10,862
Hire purchase creditors	1,088
	<u>112,870</u>
Unsecured	
Short term borrowings:-	
Bank overdrafts	-
Bankers acceptances	3,672
	<u>3,672</u>
Total Borrowings:	<u>126,658</u>

Included in the above short term borrowings are trade loans of RM16.63 million in USD.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2012**B. ADDITIONAL INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B9. Financial Instruments

There were no financial instruments at the end of the interim period.

B10. Material Litigation

As at the date of this report, neither the Company nor any of its subsidiaries is engaged in any material litigation and arbitration either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries and our Directors are not aware of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Company or its subsidiaries.

B11. Proposed Dividend

The proposed dividend of 4.0 sen per share in respect of the financial year ended 31 December 2011 has been approved at the Annual General Meeting of the Company on 25 May 2012 and paid on 24 July 2012.

For the financial year ended 31 December 2012, the Board of Directors is recommending a first and final dividend of 2.5 sen per share for the shareholders' approval at the forthcoming Annual General Meeting of the Company. The date of book closure for the dividend payment will be announced in due course.

B12. Breakdown of Realised and Unrealised Profits and Losses

The retained profits can be analysed as follows:-

	As At 31-Dec-12 RM'000	As At 31-Dec-11 RM'000
Realised profits	73,082	71,796
Unrealised Gains/(losses)	1,322	(473)
	<u>74,404</u>	<u>74,290</u>

SAMCHEM HOLDINGS BERHAD

(Company No: 797567 U)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2012**B. ADDITIONAL INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B13. Earnings per share

	Current Quarter 31-Dec-12 RM'000	Preceding Year Corresponding Quarter 31-Dec-11 RM'000	Current Year To Date 31-Dec-12 RM'000	Preceding Year Corresponding Period 31-Dec-11 RM'000
Profit attributable to ordinary equity holders of the parent (RM'000)	566	2,967	8,614	17,778
Weighted average number of ordinary shares in issue ('000)	136,000	136,000	136,000	136,000
Earnings per share-basic (sen)	<u>0.42</u>	<u>2.18</u>	<u>6.33</u>	<u>13.07</u>

There are no diluted earnings per share as there were no potential dilutive ordinary shares outstanding as at end of the current quarter under review and financial year-to-date.

By order of the Board,

Ng Thin Poh
Chairman of the Board
Date: 25 February 2013