



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2015

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Current quarter 3 months ended		Cumulative quarter 3 months ended	
		31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Revenue		343,610	79,209	343,610	79,209
Cost of sales		(313,014)	(73,183)	(313,014)	(73,183)
Gross profit		30,596	6,026	30,596	6,026
Other operating income		4,963	1,230	4,963	1,230
Administrative expenses		(6,600)	(2,649)	(6,600)	(2,649)
Other operating expenses		(6,682)	(1,738)	(6,682)	(1,738)
Operating profit		22,277	2,869	22,277	2,869
Finance costs		(5,751)	(502)	(5,751)	(502)
Profit before tax	7	16,526	2,367	16,526	2,367
Income tax expense	8	(4,589)	(1,011)	(4,589)	(1,011)
Profit for the period		11,937	1,356	11,937	1,356
Other comprehensive income					
Exchange differences on translation of foreign operation		19	403	19	403
Net movement of cash flow hedge		753	-	753	-
Other comprehensive income for the period, net of tax		772	403	772	403
Total comprehensive income for the period, net of tax		12,709	1,759	12,709	1,759
Profit for the period attributable to:					
Owners of the parent		11,867	1,373	11,867	1,373
Non-controlling interests		70	(17)	70	(17)
		11,937	1,356	11,937	1,356
Total comprehensive income for the period, net of tax attributable to:					
Owners of the parent		12,635	1,689	12,635	1,689
Non-controlling interests		74	70	74	70
		12,709	1,759	12,709	1,759
Earnings per share attributable to owners of the parent (sen per share):					
Basic	9	3.74	0.49	3.74	0.49
Diluted	9	3.74	0.49	3.74	0.49

The condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31 MARCH 2015
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	31.03.2015 RM'000	31.12.2014 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	349,523	352,688
Intangible assets		3,137	3,627
Deferred tax assets		45,315	44,768
Concessions financial assets	11	39,919	33,185
Other assets		28,680	28,659
Long term retention sum		26,872	21,075
		<u>493,446</u>	<u>484,002</u>
Current assets			
Inventories		124,805	122,431
Trade and other receivables		412,888	487,919
Other current assets		67,479	39,861
Tax recoverable		2,528	2,195
Derivatives		248	27
Cash and bank balances	12	73,708	62,932
		<u>681,656</u>	<u>715,365</u>
TOTAL ASSETS		<u>1,175,102</u>	<u>1,199,367</u>
EQUITY AND LIABILITIES			
Current liabilities			
Derivatives		-	677
Loans and borrowings	13	415,882	393,032
Trade and other payables		308,580	397,455
Other current liabilities		1,305	2,773
Income tax payable		6,051	2,696
		<u>731,818</u>	<u>796,633</u>
Net current liabilities		<u>(50,162)</u>	<u>(81,268)</u>
Non-current liabilities			
Loans and borrowings	13	106,385	96,166
Other payables		16,554	-
Deferred tax liabilities		9,967	8,899
		<u>132,906</u>	<u>105,065</u>
Total liabilities		<u>864,724</u>	<u>901,698</u>
Net assets		<u>310,378</u>	<u>297,669</u>
Equity attributable to owners of the Company			
Share capital		158,525	158,525
Reverse acquisition reserve		(37,300)	(37,300)
Share premium		79,796	79,796
Foreign currency translation reserves		(990)	(1,005)
Hedge reserve		753	-
Revenue reserves		109,340	97,473
		<u>310,124</u>	<u>297,489</u>
Non-controlling interests		254	180
Total equity		<u>310,378</u>	<u>297,669</u>
TOTAL EQUITY AND LIABILITIES		<u>1,175,102</u>	<u>1,199,367</u>
Net assets per share attributable to owners of the Company (sen)		98	106

The condensed consolidated statements of financial position should be read in conjunction with the accompanying notes attached to the interim financial statements



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2015

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Equity, total RM'000	Attributable to owners of the parent						Non- controlling interests RM'000
		Equity attributable to owners of the Company, total RM'000	Share capital RM'000	Reverse acquisition reserve RM'000	Share premium RM'000	Foreign currency translation reserve RM'000	Revenue reserves RM'000	
At 1 January 2014	223,635	223,709	139,725	(37,300)	46,354	(1,196)	76,126	(74)
Profit for the year	1,356	1,373	-	-	-	-	1,373	(17)
Other comprehensive income	403	316	-	-	-	316	-	87
Total comprehensive income	1,759	1,689	-	-	-	316	1,373	70
At 31 March 2014	225,394	225,398	139,725	(37,300)	46,354	(880)	77,499	(4)

The condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2015

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Equity, total RM'000	Attributable to owners of the parent							Non- controlling interests RM'000
		Equity attributable to owners of the Company, total RM'000	Share capital RM'000	Reverse acquisition reserve RM'000	Share premium RM'000	Foreign currency translation reserve RM'000	Revenue reserves RM'000	Hedge reserve RM'000	
At 1 January 2015	297,669	297,489	158,525	(37,300)	79,796	(1,005)	97,473	-	180
Profit for the year	11,937	11,867	-	-	-	-	11,867	-	70
Other comprehensive income	772	768	-	-	-	15	-	753	4
Total comprehensive income	12,709	12,635	-	-	-	15	11,867	753	74
At 31 March 2015	310,378	310,124	158,525	(37,300)	79,796	(990)	109,340	753	254

The condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statement.



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2015

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current period to date	Preceding year corresponding period
	31.03.2015 RM'000	31.03.2014 RM'000
Operating activities		
Profit before tax	16,526	2,367
Adjustments for:		
Unwinding of discount on finance lease	(6)	(9)
Unwinding of discount on long term retention sum	-	(375)
Amortisation of intangible assets	490	660
Unwinding of discount on trade payables	-	(128)
Allowance for impairment loss of trade and other receivables	-	162
Bad debts recovered	(2,632)	(70)
Property, plant and equipment written off	8	-
Depreciation of property, plant and equipment	5,122	1,621
Gain on disposal of property, plant and equipment, net	-	(47)
Reversal of allowance for impairment loss of trade receivables	(158)	-
Interest expense	5,751	502
Interest income	(622)	(334)
Inventories written-off	3	24
Unrealised gain on foreign exchange	(760)	-
Operating cash flows before working capital changes	23,722	4,373
Changes in working capital:		
Increase in inventories	(2,377)	(10,472)
Decrease in trade and other receivables	72,025	300
Increase in other current assets	(29,086)	(1,702)
Decrease in trade and other payables	(70,806)	(11,344)
Increase in other current liabilities	-	37,920
Decrease in derivative liabilities	(898)	-
Increase in concessions financial assets	(6,734)	-
Total changes in working capital	(37,876)	14,702
Cash (used in)/from operations	(14,154)	19,075
Interest paid	(5,751)	(502)
Tax paid, net of refund	(1,045)	(851)
Net cash flows (used in)/from operating activities	(20,950)	17,722



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2015

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTD.)

	Current period to date	Preceding year corresponding period
Note	31.03.2015 RM'000	31.03.2014 RM'000
Investing activities		
Acquisition of non-controlling interest	-	(119)
Purchase of property, plant and equipment	(1,976)	(8,376)
Interest received	622	334
Proceeds from disposal of property, plant and equipment	(11)	47
Net cash used in investing activities	<u>(1,365)</u>	<u>(8,114)</u>
Financing activities		
Net drawdown/(repayment) from borrowings	33,075	(14,716)
Decrease/(increase) in cash and bank balances pledged for bank borrowings	4,620	(70)
Net cash from/(used in) financing activities	<u>37,695</u>	<u>(14,786)</u>
Net increase/(decrease) in cash and cash equivalents	15,380	(5,178)
Effect on exchange rate changes	16	378
Cash and cash equivalents at 1 January	39,735	60,375
Cash and cash equivalents at 31 December	<u>55,131</u>	<u>55,575</u>
Cash and cash equivalents comprise the following:		
Cash in hand and at banks	55,131	12,094
Deposits with licensed banks	18,577	52,158
	<u>73,708</u>	<u>64,252</u>
Deposit pledged	(18,577)	(8,677)
Cash and cash equivalents	<u>55,131</u>	<u>55,575</u>
12		

The condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

1. Corporate information

Sarawak Cable Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements were approved by the Board of Directors on 29 May 2015.

2. Significant accounting policies

The audited financial statements of the Group for the year ended 31 December 2014 were prepared in accordance with Malaysian Financial Reporting Standards (MFRS). The significant accounting policies adopted in preparing these condensed consolidated interim financial statements were consistent with those of the audited financial statements for the year ended 31 December 2014.

3. Changes in estimates

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

4. Item of unusual nature, size or incidence

There was no item of unusual nature, size or incidence.



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

5. Segment information

	Sales of cables and conductors		Sales of galvanised products and steel structures		Transmission lines construction		Power generation, helicopter services and corporate		Total		Adjustments/ elimination		Per condensed consolidated financial statements	
	31 Mar 2015 RM'000	31 Mar 2014 RM'000	31 Mar 2015 RM'000	31 Mar 2014 RM'000	31 Mar 2015 RM'000	31 Mar 2014 RM'000	31 Mar 2015 RM'000	31 Mar 2014 RM'000	31 Mar 2015 RM'000	31 Mar 2014 RM'000	31 Mar 2015 RM'000	31 Mar 2014 RM'000	31 Mar 2015 RM'000	31 Mar 2014 RM'000
Revenue														
External customers	169,670	18,415	19,884	6,790	147,447	54,004	6,609	-	343,610	79,209	-	-	343,610	79,209
Inter-segment	28,060	2,329	6	2,130	-	-	(4,951)	1,350	23,115	5,809	(23,115)	(5,809)	-	-
Total revenue	<u>197,730</u>	<u>20,744</u>	<u>19,890</u>	<u>8,920</u>	<u>147,447</u>	<u>54,004</u>	<u>1,658</u>	<u>1,350</u>	<u>366,725</u>	<u>85,018</u>	<u>(23,115)</u>	<u>(5,809)</u>	<u>343,610</u>	<u>79,209</u>
Segment profit/(loss)														
(Note A)	5,341	1,077	(28)	884	13,875	20	(2,662)	386	16,526	2,367	-	-	16,526	2,367

Note A

Segment profit is reconciled to profit before tax presented in the condensed consolidated statement of profit or loss and other comprehensive income as follows:

	31 Mar 2015 RM'000	31 Mar 2014 RM'000
Segment profit	22,667	2,953
Finance costs	(5,751)	(502)
Unallocated corporate expenses	(390)	(84)
Profit before tax	<u>16,526</u>	<u>2,367</u>



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

5. Segment information (contd.)

The Group is organised into business units based on their products and services, and has four operating segments as follows:

- (a) The sales of power cables and conductors segment supplies power cables and conductors components to consumers.
- (b) The sales of galvanised products and steel structures segment supplies galvanised products and steel structures. It also offers galvanising services.
- (c) The transmission lines construction segment involves supply, installation and commissioning of transmission line projects.
- (d) The corporate segment is involved in Group-level corporate and management services, power generation business and provision of helicopters services.

Sales of cables and conductors

The sales of cables and conductors segment contributed 49% (31 March 2014: 23 %) of the total revenue of the Group and was the main contributor to the Group’s operating profit for the period ended 31 March 2015.

The segment recorded a revenue and profit before tax of RM170.0 million and RM5.3 million respectively for the period ended 31 March 2015 as compared to revenue and profit before tax of RM18.4 million and RM1.1 million respectively in the corresponding period ended 31 March 2014. Operating costs remained in line and consistent with the increased revenue as compared with the corresponding period ended 31 March 2014. This was as a result of the positive contribution from the newly acquired subsidiaries namely Universal Cable (M) Berhad (“UCMB”) and Leader Cable Industry Berhad (“LCIB”).

The Group remains positive that with its business strategies in place, there will be growth in the coming year.

Sales of galvanised products and steel structures

The sales of galvanised products and steel structures segment contributed 6% (31 March 2014: 9 %) of the total revenue of the Group for the period ended 31 March 2015.

This segment suffered a minor loss for first quarter when compared to operating profit of RM 0.8 million in the corresponding period of 2014. This was due to adverse foreign exchange impact in the purchase of raw materials.

Market demand for products under this segment had shown improvement and the Group is confident that the demand for galvanised products and steel structures will continue to improve.



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

5. Segment information (contd.)

Transmission lines construction

The transmission line construction segment contributed 43% (31 March 2014: 68 %) of the total revenue of the Group for the period ended 31 March 2015.

Segment revenue of RM147 million for the financial period ended 31 March 2015 had increased as compared to RM 54 million for the corresponding period in 2014. Operating costs remained fairly consistent with the corresponding period of 2014.

Segment results for the financial period ended 31 March 2015 had increased as compared to corresponding period in 2014 mainly due to the ongoing projects which contributed positively to the Group.

The Group remains positive that performance for this segment will continue to improve with the Group’s development plans for the power transmission industry.

Power generation, helicopter services and corporate

The power generation, helicopter services and corporate segment provides Group-level corporate and management services, power generation business and provision of helicopter services. In the financial period ended 31 March 2015, power generation, helicopter services and corporate segment contributed RM7 million to the total revenue of the Group.

The Group remains positive that with its business strategies in place, there will be growth in the coming year.

Consolidated profit before tax

The Group recorded a profit before tax of RM 16.5 million (31 March 2014: RM 2.4 million) in the current quarter ended 31 March 2015, which was higher than corresponding period in 2014 principally due to improved results from all segments other than sales of galvanised products and steel structures segment as explained above.

Higher bank borrowing for working capital had resulted in higher finance costs for the current reporting quarter (see Note 13).

The main factors which had affected the current quarter’s profit before tax are explained above.

6. Seasonality of operations

The Group's operations were not significantly affected by seasonal or cyclical factors.



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

7. Profit before tax

	Current quarter		Cumulative quarter	
	3 months ended		3 months ended	
	31	31	31	31
	March	March	March	March
	2015	2014	2015	2014
	RM’000	RM’000	RM’000	RM’000
Unwinding of discount on finance lease	(6)	(9)	(6)	(9)
Unwinding of discount on long term retention sum	-	(375)	-	(375)
Allowance for impairment loss of trade and other receivables	-	162	-	162
Amortisation of intangible assets	490	660	490	660
Bad debts recovered	(2,632)	(70)	(2,632)	(70)
Depreciation of property, plant and equipment	5,122	1,621	5,122	1,621
Gain on disposal of property, plant and equipment, net	-	(47)	-	(47)
Interest expense	5,751	502	5,751	502
Interest income	(622)	(334)	(622)	(334)
Reversal of allowance for impairment loss on trade receivables	(158)	-	(158)	-
Inventories written off	3	24	3	24
Unwinding of discount on trade payables	-	(128)	-	(128)
Property, plant and equipment written off	8	-	8	-
Unrealised gain on foreign exchange	(760)	-	(760)	-



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

8. Income tax expense

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Current income tax:				
Based on results for the period	4,450	881	4,450	881
Deferred income tax	139	130	139	130
	<u>4,589</u>	<u>1,011</u>	<u>4,589</u>	<u>1,011</u>

The effective tax rate for the current reporting quarter was lower than the statutory tax rate principally due to the recognition of deferred tax assets.

The effective tax rate for the corresponding interim period ended 31 March 2014 was higher than the statutory tax rate principally due to certain expenses which were not deductible for tax purposes.

9. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the period.

The Group had no potential ordinary shares in issue as at the balance sheet date and therefore, diluted earnings per share is presented as equal to basic earnings per share.

The following are the profit and share data used in the computation of basic and diluted earnings per share:

	Current year quarter		Current year to date	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Profit net of tax attributable to equity holders of The Company (RM'000)	<u>11,867</u>	<u>1,373</u>	<u>11,867</u>	<u>1,373</u>
Weighted average number of ordinary shares in issue (‘000)	<u>317,050</u>	<u>279,450</u>	<u>317,050</u>	<u>279,450</u>
Basic earnings per share (sen per ordinary share)	<u>3.74</u>	<u>0.49</u>	<u>3.74</u>	<u>0.49</u>
Diluted earnings per share (sen per ordinary share)	<u>3.74</u>	<u>0.49</u>	<u>3.74</u>	<u>0.49</u>



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

10. Property, plant and equipment

During the three months ended 31 March 2015, the Group acquired assets at the cost of RM2.0 million (31 March 2014: RM8.4 million).

11. Concessions financial assets

	31 March 2015 RM’000	31 December 2014 RM’000
At 1 January 2015/2014	33,185	-
Concession construction revenue	6,301	32,216
Accrued financial income	433	969
At 31 March 2015/31 December 2014	<u>39,919</u>	<u>33,185</u>

12. Cash and bank balances

Cash and bank balances comprised the following amounts:

	31 March 2015 RM’000	31 December 2014 RM’000
Cash in hand and at banks	55,131	47,394
Deposits with licensed banks	18,577	15,538
Cash and bank balances	<u>73,708</u>	<u>62,932</u>

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at the reporting date:

	31 March 2015 RM’000	31 December 2014 RM’000
Cash in hand and at banks	55,131	38,337
Deposits with licensed banks	-	1,400
Cash and cash equivalents	<u>55,131</u>	<u>39,737</u>



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

13. Loans and borrowings

	31 March 2015 RM’000	31 December 2014 RM’000
Current		
Secured	127,174	62,058
Unsecured	288,708	330,974
	<u>415,882</u>	<u>393,032</u>
Non-current		
Secured	96,970	87,366
Unsecured	9,415	8,800
	<u>106,385</u>	<u>96,166</u>
	<u>522,267</u>	<u>489,198</u>

14. Dividends

At the forthcoming Annual General Meeting, a first and final single tier dividend of 2.5 sen (2013: first and final single tier dividend of 1.5 sen) per ordinary share in respect of the financial year ended 31 December 2014, amounting to a dividend payable of RM7,926,250 will be proposed for shareholders’ approval.

The Board of directors has on 29 May 2015 declared an interim single-tier dividend of 1.0 sen (2014: Nil) per ordinary share in respect of the financial year ending 31 December 2015. The dividend entitlement and payment date for the interim dividend will be announced at a later date.

15. Commitments

	31 March 2015 RM’000	31 December 2014 RM’000
Capital expenditure		
Approved and contracted for:		
Property, plant and equipment	85,366	85,873
Approved but not contracted for:		
Property, plant and equipment	12,161	9,722
	<u>97,527</u>	<u>95,595</u>



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

16. Contingencies

There were no contingencies as at the end of the current financial quarter.

17. Related party transactions

The following table provides information on the transactions which were entered into with related parties during the year ended 31 March 2015 and 31 March 2014 as well as the balances with the related parties as at 31 March 2015 and 31 December 2014.

		March		March/December	
		Sales to related parties RM'000	Purchases from related parties RM'000	Amounts owed by related parties RM'000	Amounts owed to related parties RM'000
Transactions with subsidiaries of Sarawak Energy Berhad:					
Sarawak Energy Berhad	2015	34	-	3,459	-
	2014	15,982	-	9,314	-
Syarikat SESCO Berhad	2015	15,475	-	14,109	-
	2014	519	6	414	-
Transactions with subsidiaries of Hng Capital Sdn Bhd:					
Alpha Industries Sdn. Bhd.	2015	587	53,369	-	53,059
	2014	-	5,146	-	1,435
Leader Universal Aluminium Sdn. Bhd.	2015	438	34,166	-	28,494
	2014	-	15,243	-	-
UCMB	2015	-	-	-	-
	2014	-	2,029	-	36,548
LCIB	2015	-	-	-	-
	2014	-	-	-	466



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

18. Review of performance

Explanatory comments on the performance of each of the Group's business segments are provided in Note 5.

19. Comment on material change in profit before taxation

The profit before taxation for the quarter ended 31 March 2015 was higher than the immediate preceding quarter mainly due to profit contributed from all segments other than sales of galvanised products and steel structures segment.

20. Commentary on prospects

The Group recorded a much improved performance in the first quarter of 2015 as compared to the corresponding quarter in 2014 and anticipates continuous improved performance in the coming months.

21. Profit forecast or profit guarantee

Not applicable as the Group did not publish any profit forecast or profit guarantee.

22. Corporate proposals

There were no corporate proposals.

23. Changes in material litigation

There were no material litigations during the current financial period up to the date of this quarterly report.

24. Dividends payable

At the forthcoming Annual General Meeting, a first and final single tier dividend of 2.5 sen (2013: first and final single tier dividend of 1.5 sen) per ordinary share in respect of the financial year ended 31 December 2014, amounting to a dividend payable of RM7,926,250 will be proposed for shareholders' approval.

The Board of directors has on 29 May 2015 declared an interim single-tier dividend of 1.0 sen (2014: Nil) per ordinary share in respect of the financial year ending 31 December 2015. The dividend entitlement and payment date for the interim dividend will be announced at a later date.

25. Disclosure of nature of outstanding derivatives

The outstanding derivatives were for the forward hedges with the London Metal Exchange ("LME") brokers.

26. Risks and policies of derivatives

The Group will only enter into a LME or currency derivative to hedge against potential commodity or currency fluctuation.

27. Disclosure of gains/losses arising from fair value changes of financial liabilities

The Group did not have any financial liabilities measured at fair value through profit or loss as at 31 March 2015 and 31 December 2014.



SARAWAK CABLE BERHAD
(456400-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

28. Breakdown of realised and unrealised profits or losses

The breakdown of the revenue reserves of the Group as at 31 March 2015 and 31 December 2014 into realised and unrealised profits is presented in accordance with the directives issued by Bursa Malaysia Securities Berhad dated 24 March 2010 and 20 December 2010, prepared in accordance with *Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses* in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Current quarter ended 31 March 2015 RM'000	Previous financial year ended 31 December 2014 RM'000
Total revenue reserves of the Company and its subsidiaries:		
Realised	71,394	186,035
Unrealised	37,296	34,047
	<u>108,690</u>	<u>220,082</u>
Add/(less): Consolidation adjustments	650	(122,609)
Revenue reserves as per financial statements	<u>109,340</u>	<u>97,473</u>

29. Auditors' report on preceding annual financial statements

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

30. Authorised for issue

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 May 2015.

By order of the Board

Teoh Wen Jinq
Company Secretary
29 May 2015