

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Individual Quarter		Cumulative Quarter	
		Current year quarter 30.06.2014 RM'000	Preceding year corresponding quarter 30.06.2013 RM'000	Current year to date 30.06.2014 RM'000	Preceding year corresponding period 30.06.2013 RM'000
Revenue		280,685	239,832	1,128,918	909,940
Cost of sales		(262,289)	(210,857)	(1,044,207)	(833,953)
Gross profit		18,396	28,975	84,711	75,987
Other income		5,954	5,743	15,857	11,427
Administrative expenses		(9,089)	(8,037)	(45,002)	(40,387)
Operating profits		15,261	26,681	55,566	47,027
Other operating expense		-	-	(3,949)	(5,797)
Finance Costs		(10,201)	(11,727)	(42,414)	(42,702)
Shares of (loss) / profit of associates		(352)	853	1,596	10,325
Profit before tax		4,708	15,807	10,799	8,853
Tax expense	A11	(2,174)	(5,173)	(4,151)	(4,220)
Profit net of tax		2,534	10,634	6,648	4,633
Other comprehensive income:					
Foreign exchange translation	A16	(986)	2,102	966	(1,025)
Total comprehensive income for the period		1,548	12,736	7,614	3,608
Profit attributable to:					
Equity holders of the parent		1,058	10,312	7,825	3,071
Non controlling interests		1,476	322	(1,177)	1,562
		2,534	10,634	6,648	4,633
Total comprehensive income attributable to:					
Equity holders of the parent		5,546	13,517	6,065	3,652
Non controlling interests		(3,998)	(781)	1,549	(44)
		1,548	12,736	7,614	3,608
Earnings per share attributable to the equity holders of the parent:					
Basic (sen)	B12	0.09	0.86	0.65	0.26
Diluted (sen)	B12	0.09	0.86	0.65	0.26

Notes:

(a) *The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to this report.*

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited AS AT 30.06.2014 RM'000	(Restated) AS AT 30.06.2013 RM'000	(Restated) AS AT 01.07.2012 RM'000
ASSETS				
Non-current assets				
Property, plant and equipment		1,579,769	1,639,271	1,552,867
Investment in associates		6,829	3,039	2,685
Other investments		44	44	157
Intangible asset		1,215	2,070	2,070
		<u>1,587,857</u>	<u>1,644,424</u>	<u>1,557,779</u>
Current assets				
Inventories		125,960	151,743	155,845
Trade and other receivables		531,493	545,765	333,016
Other current assets		25,011	82,703	55,235
Tax recoverable		847	7,767	5,701
Cash and cash equivalents		54,285	59,818	79,989
		<u>737,596</u>	<u>847,796</u>	<u>629,786</u>
TOTAL ASSETS		<u>2,325,453</u>	<u>2,492,220</u>	<u>2,187,565</u>
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Share capital		1,200,000	1,200,000	1,200,000
Share premium		16,972	16,972	16,972
Retained Earnings		200,262	192,497	201,320
Other reserve		(291,274)	(300,777)	(300,242)
		<u>1,125,960</u>	<u>1,108,692</u>	<u>1,118,050</u>
Non Controlling interests		17,801	16,252	15,011
Total equity		<u>1,143,761</u>	<u>1,124,944</u>	<u>1,133,061</u>
Non-current liabilities				
Borrowings	B9	348,993	402,061	371,850
Deferred income		-	-	5,907
Deferred tax liabilities		58,979	57,138	58,818
		<u>407,972</u>	<u>459,199</u>	<u>436,575</u>
Current liabilities				
Borrowings	B9	492,839	519,794	412,308
Trade and other payables		280,038	315,587	184,425
Other current liabilities		840	72,599	20,922
Tax payable		3	97	274
		<u>773,720</u>	<u>908,077</u>	<u>617,929</u>
Total liabilities		<u>1,181,692</u>	<u>1,367,276</u>	<u>1,054,504</u>
TOTAL EQUITY AND LIABILITIES		<u>2,325,453</u>	<u>2,492,220</u>	<u>2,187,565</u>
Net assets per shares (RM)		0.94	0.92	0.93

Notes:

(a) *The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to this report.*

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE THIRD QUARTER ENDED 30 JUNE 2014
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Parent						
	Non distributable			Distributable			
	Equity, total RM'000	Equity attributable to owners of the parents, total RM'000	Share capital RM'000	Share premium RM'000	Other reserve RM'000	Retained earnings RM'000	Non- controlling interests RM'000
At 1 July 2012	1,133,061	1,118,050	1,200,000	16,972	(300,242)	201,320	15,011
Total comprehensive Income	3,883	2,642	-	-	(535)	3,177	1,241
Transactions with Owners:							
Dividend on Ordinary Share	(12,000)	(12,000)	-	-	-	(12,000)	-
At 30 June 2013	<u>1,124,944</u>	<u>1,108,692</u>	<u>1,200,000</u>	<u>16,972</u>	<u>(300,777)</u>	<u>192,497</u>	<u>16,252</u>
						(Note B14)	
At 1 July 2013	1,124,944	1,108,692	1,200,000	16,972	(300,777)	192,497	16,252
Total comprehensive Income	18,877	17,328	-	-	9,503	7,825	1,549
Transactions with Owners:							
Dividend on Ordinary Share	(60)	(60)	-	-	-	(60)	-
At 30 June 2014	<u>1,143,761</u>	<u>1,125,960</u>	<u>1,200,000</u>	<u>16,972</u>	<u>(291,274)</u>	<u>200,262</u>	<u>17,801</u>
						(Note B14)	

Notes:

- (a) *The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to this report.*

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Current year to date 30.06.2014 RM'000	Preceding year 30.06.2013 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	10,799	4,372
Adjustment for:		
Bad debts recovered	-	(99)
Depreciation	109,684	98,751
Dividend income	(3)	(14)
Loss on disposal of fixed assets	3,822	5,722
Gain on disposal of other investment	-	(129)
(Gain)/ Loss on foreign exchange	(997)	651
Interest expenses	42,414	42,799
Interest income	(1,645)	(2,355)
Impairment loss in trade receivables	-	9
Property, plant and equipment written off	-	8
Profit retained in associates	(2,179)	(6,408)
Operating profit before changes in working capital	161,895	143,307
<u>Working Capital Changes</u>		
Decrease in inventories	35,632	4,168
Decrease/(Increase) in receivables	28,643	(216,300)
Decrease/(Increase) in other current assets	38,779	(27,468)
(Decrease)/Increase in payables	(33,162)	128,003
(Decrease)/increase in other current liabilities	(64,280)	51,677
Net changes in amounts due from/to related companies	19,230	5,686
Total changes in working capital	24,842	(54,234)
Cash generated from operations	186,737	89,073
Interest received	1,645	2,355
Interest paid	(42,414)	(43,954)
Income tax refunded	6,868	250
Income tax paid	(1,813)	(3,845)
Total interest and tax paid	(35,714)	(45,194)
Net cash generated from operating activities	151,023	43,879
CASH FLOW FROM INVESTING ACTIVITIES		
Dividend received	3	11
Capital expenditure	(75,946)	(165,844)
Proceeds from disposal of property, plant and equipment	4,930	8,869
Proceeds from disposal of share in investment	(1,334)	242
Proceeds from disposal of share in a associate	(79)	-
Net cash used in investing activities	(72,426)	(156,722)
NET CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(60)	(12,000)
Net movement in trade financing	(27,380)	96,285
Proceeds from hire purchase	21,460	4,407
Repayment of hire purchase	(33,385)	(35,378)
Proceeds from term loans	37,268	125,070
Repayment of term loans	(88,996)	(89,464)
Net cash flow (used in)/generated from financing activities	(91,093)	88,920
Net decrease in cash and cash equivalents	(12,496)	(23,923)
Cash and cash equivalents at beginning of period	31,082	55,013
Effects of exchange rate changes	(34)	(8)
Cash and cash equivalents at end of period	18,552	31,082
Cash and cash equivalents comprise the following:		
Cash and bank balances	9,783	16,323
Deposit with licensed banks	44,502	43,495
Bank overdrafts	(35,733)	(28,736)
Cash and bank balances	18,552	31,082

Notes:

(a) *The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to this report.*

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

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“MFRS”) MFRS 134: “Interim Financial Reporting” and Chapter 9 Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the annual audited financial statements of Shin Yang Shipping Corporation Berhad (“SYSCorp” or “the Company”) and its subsidiaries (“the Group”) for the financial year ended 30 June 2013.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2013.

A2. Auditor’s report on preceding annual financial statements

There was no qualification to the audited financial statements of the Company and of its subsidiaries on the preceding annual financial statements.

A3. Seasonal or cyclical factors

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

A4. Unusual items

There were no significant unusual items affecting assets, liabilities, equity, net income, or cash flows during the current interim quarter under review

A5. Material changes in estimates

There were no changes in estimates of amounts that have had a material effect in the current interim quarter under review.

A6. Debt and equity securities

There is no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities, share buybacks, share cancellations, share held as treasury shares and resale of treasury shares for the current interim quarter under review.

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

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

A7. Dividends

There were no dividend was paid during the current interim quarter under review.

A8. Segmental reporting

Segmental information in respect of the Group’s business segments comprising shipping, shipbuilding, ship repair & metal fabrication and shipping agency are presented as follows:

	Shipping RM’000	Shipbuilding & Ship repair RM’000	Shipping agency RM’000	Investment holding RM’000	Elimination RM’000	Total RM’000
For 12 months ended						
30 June 2014						
Segment Revenue						
External revenue	637,273	487,046	4,336	263	-	1,128,918
Inter-segment revenue	13,469	104,806	2,344	1,992	(122,611)	-
Total	<u>650,742</u>	<u>591,852</u>	<u>6,680</u>	<u>2,255</u>	<u>(122,611)</u>	<u>1,128,918</u>
Profit/ (loss) from operations	22,557	32,835	651	(477)	-	55,566
Other operating expense						(3,949)
Finance costs						(42,414)
Share of profit of associates						1,596
Profit before tax						<u>10,799</u>
Tax expense						(4,151)
Profit for the period						<u>6,648</u>
For 12 months ended						
30 June 2013						
Segment Revenue						
External revenue	601,500	304,385	4,055	-	-	909,940
Inter-segment revenue	8,278	99,445	2,398	-	(110,121)	-
Total	<u>609,778</u>	<u>403,830</u>	<u>6,453</u>	<u>-</u>	<u>(110,121)</u>	<u>909,940</u>
Profit/ (loss) from operations	39,427	7,563	1,194	(1,157)	-	47,027
Other operating expense						(5,797)
Finance costs						(42,702)
Share of profit of associates						10,325
Profit before tax						<u>8,853</u>
Tax expense						(4,220)
Profit for the period						<u>4,633</u>

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(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

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

A8. Segmental reporting (Cont’)

	Shipping RM'000	Shipbuilding & Ship repair RM'000	Shipping agency RM'000	Investment holding RM'000	Elimination RM'000	Total RM'000
For 3 months ended						
30 June 2014						
Segment Revenue						
External revenue	169,261	110,228	1,113	83	-	280,685
Inter-segment revenue	7,626	69,892	584	498	(78,600)	-
Total	176,887	180,120	1,697	581	(78,600)	280,685
Profit from operations	13,626	384	72	1,179	-	15,261
Finance costs						(10,201)
Share of loss of associates						(352)
Profit before tax						4,708
Tax expense						(2,174)
Profit for the period						2,534
For 3 months ended						
30 June 2013						
Segment Revenue						
External revenue	149,955	88,691	1,186	-	-	239,832
Inter-segment revenue	(2,169)	14,927	442	-	(13,200)	-
Total	147,786	103,618	1,628	-	(13,200)	239,832
Profit/ (loss) from operations	23,724	3,338	482	(863)	-	26,681
Finance costs						(11,727)
Share of profit of associates						853
Profit before tax						15,807
Tax expense						(5,173)
Profit for the period						10,634

Group

	4Q 2014 (RM'000)	4Q 2013 (RM'000)	Changes (%)
Revenue	280,685	239,832	17.0%
Profit before tax	4,708	15,087	-68.8%

Revenue of the Group for the fourth quarter ended 30 June 2014 increased by 17.0% to RM280.7 million as compared to RM239.8million in the previous corresponding quarter.

The increase was mainly attributed to the improvement of revenue generated from the ship repair segments, container shipping and also CPO shipment in the current quarter.

The decrease in profit was due to the nil margin contribution from international liquid bulk segment and the unrealised margin of new shipbuilding's work in progress during construction in Shipbuilding and ship repair segments.

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

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

A8. Segmental reporting (Cont’)

Performance and prospects of each operating segment are discussed below:

Shipping

	4Q 2014 (RM'000)	4Q 2013 (RM'000)	Changes (%)
Revenue	169,261	149,955	12.9%
Profit before tax	7,387	17,399	-57.5%

For the current quarter, the shipping segment's revenue of RM169.3million increased by 12.9% as compared to RM 149.9million revenue recorded in the corresponding quarter. This was mainly due to the higher volume carried from the domestic, container shipping and CPO shipment operations in the current quarter.

The profit before tax in Shipping segment was decreased to RM 7.4 million in current quarter. This was mainly due to the nil margin contribution in international liquid bulk segment.

Shipbuilding and Ship repair

	4Q 2014 (RM'000)	4Q 2013 (RM'000)	Changes (%)
Revenue	110,228	88,691	24.3%
Loss before tax	(3,558)	(1,448)	-145.7%

For the current quarter, revenue generated from shipbuilding and ship repair segments stood at RM110.2 million, 24.3% higher compared to RM 88.7 million revenue recorded in the corresponding quarter. The increase in revenue was mainly due to the delivery of 1 unit of specific high end vessels and repair vessels in the current quarter under review.

The net losses before tax in Shipbuilding and ship repair segment was mainly due to the unrealised margin of new shipbuilding's work in progress during construction.

Shipping agency

	4Q 2014 (RM'000)	4Q 2013 (RM'000)	Changes (%)
Revenue	1,113	1,186	-6.2%
Profit before tax	15	429	-96.5%

For the current quarter, the revenue from shipping agency segment slightly decreased by 6.2% compared to the preceding year's corresponding quarter. The decrease in profit before tax was mainly resulted from the losses sharing in its associate company in the current quarter.

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

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

A8. Segmental reporting (Cont’)

Investment Holding

	4Q 2014 (RM’000)	4Q 2013 (RM’000)	Changes (%)
Revenue	83	-	100%
Profit/ (Loss) before tax	864	(1,293)	166.8%

For the current quarter, the investment holding stood a profit from interest income generated from fixed deposit placement.

A9. Material events subsequent to the end of the quarter period

There were no significant material events have arisen during the interval between the end of the current interim quarter and the date of this announcement that have not been reflected in the current interim quarter report except that:

The Company’s 99.5% owned subsidiary PT. Shinline (“PT. SL”) had acquired the 49% shareholding in PT Baruna Adiprasetya (“BAP”) from the existing vendor, PT. Perusahaan Pelayaran Samudra Karana Line (“PT. Karana Line”) on 1st July 2014 of 4,900,000 ordinary shares of Rp1,000.00 each for a purchase price of Rp 4,900,000,000.00 (equivalent to approximately RM1.35 million) to be satisfied via cash payment.

BAP was incorporated in Indonesia under law of Republic of Indonesia as private limited company on 1st September 1988. BAP is engaged in the operation of arrangement of transportation of freight and cargo and also forwarding agency.

A10. Changes in the composition of the Group

There were no changes in the composition of the Group for current interim quarter under review.

A11. Tax expense

The taxation of the Group for the current interim quarter under review is as follows:-

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	30 June 2014 RM’000	30 June 2013 RM’000	30 June 2014 RM’000	30 June 2013 RM’000
Malaysian taxation				
Current year tax	156	2,694	2,310	3,539
Deferred tax	2,330	2,479	1,841	681
	<u>2,174</u>	<u>5,173</u>	<u>4,151</u>	<u>4,220</u>

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

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

A12. Contingent liabilities and contingent assets

The contingent liabilities of the Group as at 30 June 2014 are as follows:

	As at 30.06.2014 RM'000
Corporate guarantees given to financial institutions in consideration of credit facilities granted to our subsidiaries and associates	373,633

The Group does not have any contingent assets.

A13. Material commitments

Material commitments of the Group as at 30 June 2014 are as follow:

	As at 30.06.2014 RM'000
<u>Capital Expenditure</u>	RM'000
<u>Approved and contracted for:-</u>	
- Construction of 1 unit of Pneumatic Cement Carrier	27,000
	27,000
<u>Approved but not contracted for:-</u>	
- Construction of shipyard in RAK, UAE	16,065
Total	43,065

Lease commitments

On 1 July 2009, the Group entered into a lease contract with SAQR Port Authority, Hulayla Industrial Park, United Arab Emirates to lease an industrial plot of land for the purpose of carrying out shipbuilding, offshore fabrication and marine related services. The contract will be for 25 years, commencing from the date of the contract or the date at which Hulayla Industrial Park becomes operational, whichever is the latest, at an annual rent of AED5,100,000.00.

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

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

A14. Significant related party transactions

Related parties are those defined under FRS 124: Related Party Disclosures. The Directors are of the opinion that the related party transactions and balances described below were carried out in the ordinary course of business and on commercial terms that are no more favourable than those available to other third parties.

	Current Quarter to date 30.06.2014 RM'000	Balance due from/(to) As at 30.06.2014 RM'000
(a) Transactions with related companies of Shin Yang Holding Sendirian Berhad		
Sales of goods and services	49,736	79,362
Purchase of goods and services	(20,788)	(64,156)
(b) Transactions with companies in which certain Directors of the Company have substantial interests		
Sales of goods and services	3,923	7,840
Purchase of goods and services	(1,498)	(12,724)

The related party transactions reflect transactions of all the subsidiaries with the respective group of companies.

A15. Significant events

There were no material events subsequent to the end of the current interim reporting quarter that have not been reflected in the financial statements for the current interim quarter under review.

A16. Other Comprehensive Income

Foreign exchange translation gain/(loss) represents the surplus/(shortfall) arising from restating payables, receivables and bank balances denominated in foreign currency to Ringgit using foreign exchange rates prevailing at period end rate.

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

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

B1. Review of performance

Explanatory comment on the performance of each of the Group's business activities is provided in Note A8

B2. Material changes in the profit after tax for the current quarter as compared with the immediate preceding quarter

	4Q 2014 (RM'000)	3Q 2014 (RM'000)	Changes (%)
Revenue	280,685	282,751	-0.7%
Profit before tax	4,708	4,289	9.8%

As compared to the immediate preceding quarter, the Group's current quarter's revenue marginal decreased by 0.7% to RM280.7 million from RM282.7 million recorded in the immediate preceding quarter.

The Group recorded a marginal increase of 9.8% profit largely due to the improvement of profit contribution from the domestic shipping and CPO shipment operations in the current quarter.

B3. Commentary on Prospects

The performance of the Group is largely dependent on the volatility of world fuel market price, quality of crews' standard, domestic & regional demand for transportation of dry bulk and general cargoes, movement of Ringgit Malaysia and world economic situations.

Vessel overcapacity continues to put bulk cargo and container freight rates under pressure over the short term. The Group has prepared itself for the continuing uncertainties in global economic situations. The prospects for the shipping industry continue to remain challenging and the Group is prepared with a sustainable and market driven routes for its fleet movements, both domestically and internationally. The Group is confident in the stability of the domestic & coastal shipping and challenging in Middle East operations, and operational costs management will be an important priority in the next few quarters ahead.

The other dependents for shipbuilding operations include the corresponding price movement of the marine mild steel plates, other heavy equipments, machineries and global trend of demand for newly constructed vessels, especially from the niche markets in oil and gas industry both domestically and regionally. The demand for new build of high value vessels to serve in the oil and gas, infrastructure development and resources based industries have show signs of improvement.

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

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

B4. Statements by Directors

The Group did not disclose or announce any profit forecast or projection in any public document in the current quarter or prior financial year.

B5. Profit forecast or profit guarantee

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

B6. Sales of unquoted investments and/or properties

There were no sales of unquoted investments and/or properties during the current interim quarter under review.

B7. Quoted securities

There were no purchase or disposal of quoted securities during the current interim quarter under review.

B8. Corporate proposals

There was no corporate proposal announced at the date of this quarterly report.

B9. Borrowings and debt securities

	Secured RM'000	unsecured RM'000	Total RM'000
1. Total borrowings			
Short-term borrowings	342,463	150,376	492,839
Long-term borrowings	348,993	-	348,993
	<u>691,456</u>	<u>150,376</u>	<u>841,832</u>

Included in the total borrowings are borrowings denominated in USD as follows:

	Secured USD'000	unsecured USD'000	Total USD'000
2. Borrowings denominated in USD			
Short-term borrowings	3,900	-	3,900
Long-term borrowings	7,353	-	7,353
	<u>11,253</u>	<u>-</u>	<u>11,253</u>

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

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

B10. Off balance sheet financial instruments

There were no off balance sheet financial instruments as at 29 August 2014.

B11. Changes in material litigation

There were no material litigations during the current interim quarter up to the date of this interim report.

B12. Earnings per share

(a) Basic

The basic earnings per share for the current interim quarter and current financial year-to-date are computed as follows:

	Current year quarter 30.06.2014	Current year to date 30.06.2014
Profit attributable to equity holders of the Company (RM'000)	1,058	7,825
Weighted average number of ordinary shares in issue ('000)	1,200,000	1,200,000
Basic earnings per share (sen)	<u>0.09</u>	<u>0.65</u>

Earnings per share is computed based on the weighted average number of 1,200,000,000 shares issued for the interim quarter under review.

(b) Diluted

The Group has 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.

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

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

B13. Notes to the Condensed Consolidated Statement of Comprehensive Income

The profit of the Group for the interim quarter is arrived at after (charging)/crediting:-

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	RM'000	RM'000	RM'000	RM'000
Interest income	(174)	(525)	(1,645)	(2,355)
Sundry income	(1,661)	(639)	(4,397)	(1,787)
Interest expenses	10,201	11,726	42,414	42,702
Depreciation	26,581	5,252	109,684	98,757
Property, plant and equipment				
Written off	-	-	-	8
Loss on disposal of property,				
Plant and equipment	-	365	3,822	6,584
Realised foreign exchange (gain)/loss	(1,970)	3,655	(1,709)	3,288
Unrealised foreign exchange (gain)/loss	(1,236)	1,349	(2,083)	2,702

B14. Breakdown of realised and unrealised profit or loss

The breakdown of the retained profits of the Group as at 30 June 2014, into realised and unrealised, pursuant to a directive issued by Bursa Malaysia Securities Berhad are as follows:

	Accumulated quarter ended 30.06.2014 (RM'000)	Accumulated quarter ended 30.06.2013 (Restated) (RM'000)
Total retained profits of the Company and its subsidiaries		
- Realized	691,578	656,901
- Unrealized	(47,958)	(25,222)
	643,620	631,679
Less: Consolidation adjustments	(443,358)	(439,182)
Total Group's retained profits	200,262	192,497

B15. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 30 June 2014 was not qualified.

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2014

PART C – ADDITIONAL DISCLOSURE REQUIREMENTS PURSUANT TO IMPLEMENTATION OF FRS 139, FINANCIAL INSTRUMENTS: RECOGNITION AND MEASUREMENT (“FRS 139”)

C1. Disclosure of Derivatives

The Group does not have any outstanding derivatives as at the end of the current interim quarter under review

C2. Disclosure of gains/losses arising from fair value changes of financial liabilities

There is no material effect to the Company's financial results upon adoption of FRS139

C3. Disclosure of breakdown of realised and unrealised gains/losses arising from fair value changes of financial liabilities

There is no material effect to the Company's financial results upon adoption of FRS139.

Authorised for issue

The interim report for the fourth quarter ended 30 June 2014 was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 August 2014.

By order of the Board

Richard Ling Peng Liing
Company Secretary
29 August 2014