



# **SIG GASES BERHAD**

**( Company No.: 875083 - W )  
(Incorporated in Malaysia)**

**Financial Report  
For The Three-Month Period Ended  
31 March 2016**

**Unaudited Condensed Consolidated Statement of Comprehensive Income  
for the three-month period ended 31 March 2016**

	<b>Current quarter 3 months ended</b>		<b>Cumulative quarter 3 months ended</b>	
	<b>31 Mar 2016 RM'000</b>	<b>31 Mar 2015 RM'000</b>	<b>31 Mar 2016 RM'000</b>	<b>31 Mar 2015 RM'000</b>
<b>Revenue</b>	19,049	16,296	19,049	16,296
Cost of sales	(13,297)	(11,012)	(13,297)	(11,012)
<b>Gross profit</b>	<u>5,752</u>	<u>5,284</u>	<u>5,752</u>	<u>5,284</u>
Other income	2,837	506	2,837	506
Selling and administrative expenses	(4,633)	(4,242)	(4,633)	(4,242)
Finance costs	(324)	(517)	(324)	(517)
Share of profit of an associate	426	231	426	231
<b>Profit before tax</b>	<u>4,058</u>	<u>1,262</u>	<u>4,058</u>	<u>1,262</u>
Income tax expenses	(944)	(390)	(944)	(390)
<b>Profit after tax and total comprehensive income for the period</b>	<u><u>3,114</u></u>	<u><u>872</u></u>	<u><u>3,114</u></u>	<u><u>872</u></u>
<b>Total comprehensive income attributable to :</b>				
Equity holders of the company	3,114	872	3,114	872
Non-controlling interests	-	-	-	-
	<u><u>3,114</u></u>	<u><u>872</u></u>	<u><u>3,114</u></u>	<u><u>872</u></u>
<b>Earning per share (Sen)</b>				
- Basic	1.66	0.47	1.66	0.47
- Diluted	1.66	0.47	1.66	0.47

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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SIG Gases Berhad  
(Company No:875083-W)

## Unaudited Condensed Consolidated Statements of Financial Position as at 31 March 2016

	Unaudited As at 31 Mar 2016 RM'000	Audited As at 31 Dec 2015 RM'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	107,757	108,038
Intangible assets	319	339
Investment in an associate	8,773	8,347
	<u>116,849</u>	<u>116,724</u>
<b>Current assets</b>		
Inventory property	1,937	5,227
Inventories	4,496	5,601
Trade and other receivables	25,482	25,360
Cash and bank balances	8,744	5,411
	<u>40,659</u>	<u>41,599</u>
<b>TOTAL ASSETS</b>	<u>157,508</u>	<u>158,323</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	93,750	93,750
Reserves	28,514	25,400
Total equity	<u>122,264</u>	<u>119,150</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	937	632
Loans and borrowings	1,733	2,501
	<u>2,670</u>	<u>3,133</u>
<b>Current liabilities</b>		
Trade and other payables	13,576	16,280
Loans and borrowings	18,998	19,760
	<u>32,574</u>	<u>36,040</u>
Total liabilities	<u>35,244</u>	<u>39,173</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>157,508</u>	<u>158,323</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.65	0.64

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**Unaudited Condensed Consolidated Statements of Changes in Equity  
for the three-month period ended 31 March 2016**

	<b>Non-distributable Share Capital RM'000</b>	<b>Share Premium RM'000</b>	<b>Distributable Retained Earnings RM'000</b>	<b>Total RM'000</b>
<b>As at 1 January 2016</b>	93,750	1,020	24,380	119,150
Total comprehensive income for the period	-	-	3,114	3,114
<b>As at 31 March 2016</b>	<u>93,750</u>	<u>1,020</u>	<u>27,494</u>	<u>122,264</u>
<b>As at 1 January 2015</b>	93,750	1,020	19,293	114,063
Total comprehensive income for the period	-	-	872	872
Expenses for issue of ordinary shares	-	-	(7)	(7)
<b>As at 31 March 2015</b>	<u>93,750</u>	<u>1,020</u>	<u>20,158</u>	<u>114,928</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.



SIG Gases Berhad  
(Company No:875083-W)

**Unaudited Condensed Consolidated Statements of Cash Flows  
for the three-month period ended 31 March 2016**

	<b>Financial year ended</b>	
	<b>31 Mar 2016 RM'000</b>	<b>31 Mar 2015 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	4,058	1,262
Adjustments for:		
Depreciation	1,424	1,398
Gain on disposal of property, plant and equipment	(32)	(119)
Interest expenses	284	478
Interest income	(6)	(52)
Reversal of impairment loss on trade receivables	-	(165)
Impairment loss on trade receivables	180	163
Share of profit of an associate	(426)	(228)
Unrealised foreign exchange (gain)/loss	(82)	12
Write off of property, plant and equipment	19	132
	<hr/>	<hr/>
Operation profit before working capital changes	5,419	2,881
(Increase)/decrease in inventories	1,105	(247)
Decrease in inventory property	3,290	-
Increase in receivables	(293)	(4,343)
Decrease in payable	(3,226)	(1,744)
	<hr/>	<hr/>
Cash generated from operating activities	6,295	(3,453)
Interest paid	(284)	(478)
Tax paid	(44)	(28)
	<hr/>	<hr/>
Net cash generated from/(used in) operating activities	5,967	(3,959)
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,165)	(3,213)
Proceed from disposal of property, plant and equipment	55	456
Interest received	6	52
	<hr/>	<hr/>
Net cash used in investing activities	(1,104)	(2,705)
	<hr/>	<hr/>
<b>Cash flows from financing activity</b>		
(Repayment)/Drawdown of borrowings	(1,530)	(5,956)
Expenses for issue of ordinary shares		(7)
	<hr/>	<hr/>
Net cash used in financing activity	(1,530)	(5,963)
	<hr/>	<hr/>
<b>Net increase/(decrease) in cash and cash equivalents</b>	3,333	(12,627)
<b>Cash and cash equivalents at beginning of financial period</b>	5,411	20,323
<b>Cash and cash equivalents at the end of financial period</b>	<hr/> <hr/>	<hr/> <hr/>
	8,744	7,696
<b>Cash and cash equivalents at the end of the financial period comprise the following:</b>		
Cash and bank balances	<hr/> <hr/>	<hr/> <hr/>
	8,744	7,696

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

## NOTES TO THE REPORT

### PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING

#### A1. Corporate information

SIG Gases 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 19 May 2016.

#### A2. Basis of Preparation

These condensed consolidated interim financial statements, for the quarter ended 31 March 2016, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2015. The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2015.

#### A2.1 Significant accounting policies

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31 December 2015 except for the adoption of the following which are applicable to its financial statements and are relevant to its operations:

- (i) Adoption of standards and interpretations:

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Annual Improvements to MFRSs 2012–2014 Cycle	1 January 2016
Amendment to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 101: Disclosure Initiatives	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture: Bearer Plants	1 January 2016

The adoption of the above standards and interpretations do not have significant financial impact to the Group's consolidated financial statements for the current quarter.

**NOTES TO THE REPORT****PART A -  
EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS  
("MFRS") 134, INTERIM FINANCIAL REPORTING****A2.1 Significant accounting policies (cont'd)**

(ii) Standards and interpretations issued but not yet effective

At the date of authorization of these interim financial statements, the followings standards and interpretations were issued but not yet effective and have not been applied by the Group:

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendment to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 107: Disclosure Initiatives	1 January 2017
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 9 Financial Instruments (IFRS issued by IASB in July 2014)	1 January 2018
MFRS 16 Leases	1 January 2019
Amendment to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of these standards above is expected to have no material impact on the financial statements in the year of initial adoption.

**A3. Auditor's report on preceding annual financial statements**

There was no qualification to the audited financial statements of the Company for the financial year ended 31 December 2015.

**A4. Seasonal or cyclical factors**

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

**A5. Items of unusual nature**

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flow during the financial year ended 31 December 2015.

**A6. Material changes in estimates**

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

**A7. Changes in debt and equity securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt for the financial period-to-date.

**A8. Dividend paid**

At the Annual General Meeting held on 19 May 2016, a final tax exempt (single-tier) dividend of 2.40% in respect of the financial year ended 31 December 2015 on 187,500,000 ordinary shares of RM0.50 each, amounting to a dividend payable of RM2.25M (1.20 sen per ordinary share) was approved by the shareholders and to be paid on 17 June 2016.

## NOTES TO THE REPORT

### PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING (CONT'D)

#### A9. Segment information

The Group is organized into business units based on their products and services, and it has three operating segments as follows

- (1) Manufacturing
- (2) Refilling and Distribution
- (3) Other Products and Services

For the detailed analytical review of the segmental information, please refer to Part B1 and B2 for explanation.

#### Three-month period ended 31 March 2016

	Manufacturing	Refilling and Distribution	Other Products and Services	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>	9,382	9,499	168	19,049
<b>RESULTS</b>				
Profit for reportable segment	1,978	3,750	24	5,752
Other income				2,837
Selling and administrative expenses				(4,633)
Finance costs				(324)
Share of profit of an associate				426
Profit before tax				4,058
Income tax expenses				(944)
<b>Total comprehensive income</b>				<b>3,114</b>

#### Three-month period ended 31 March 2015

	Manufacturing	Refilling and Distribution	Other Products and Services	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>	7,701	8,353	242	16,296
<b>RESULTS</b>				
Profit for reportable segment	1,959	3,282	43	5,284
Other income				506
Selling and administrative expenses				(4,242)
Finance costs				(517)
Share of loss of an associate				231
Profit before tax				1,262
Income tax reversal				(390)
<b>Total comprehensive income</b>				<b>872</b>



**NOTES TO THE REPORT****PART A -  
EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL STANDARDS  
("MFRS") 134, INTERIM FINANCIAL REPORTING****A10. Valuation of property, plant and equipment**

There was no valuation of property, plant and equipment in the current financial **quarter**.

**A11. Capital commitments**

Capital commitments for property, plant and equipment not provided for as at 31 March 2016 are as follows:-

	<b>RM'000</b>
Approved and contracted for	<u>3,234</u>

**A12. Property, plant and equipment**

The Group acquired property, plant and equipment amounting to RM1.17 million during the current quarter .

**A13. Material events subsequent to the end of period reported**

There were no material events subsequent to the end of period.

**A14. Changes in composition of the group**

There were no changes in composition of the Group to the end of the current financial quarter that have not been reflected in this quarterly report as at the date of this report.

**PART A -  
EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL STANDARDS  
("MFRS") 134, INTERIM FINANCIAL REPORTING**

**A15. Contingent liabilities or contingent assets**

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

**A16. Cash and cash equivalents**

	As at 31 Mar 2016 RM'000	As at 31 Dec 2015 RM'000
Cash in hand and at banks	8,744	5,411

**A17. Profit before tax**

Included in the profit before tax are the following items:

	<u>Current quarter</u> <u>3 months ended</u>		<u>Cumulative quarter</u> <u>3 months ended</u>	
	31 Mar 2016 RM'000	31 Mar 2015 RM'000	31 Mar 2016 RM'000	31 Mar 2015 RM'000
(a) Interest income	6	52	6	52
(b) Other income/(charges) including investment income	2,769	454	2,769	454
(c) Interest expense	284	478	284	478
(d) Depreciation and amortisation	1,424	1,398	1,424	1,398
(e) Provision for and write off of receivables	180	163	180	163
(f) Provision for and write off of inventories	-	-	-	-
(g) (Gain)/loss on disposal of quoted and unquoted investments or properties	-	-	-	-
(h) Impairment of property, plant & equipment	90	54	90	54
(i) Foreign exchange gain/(loss)				
- Realised	(20)	(77)	(20)	(77)
- Unrealised	82	(12)	82	(12)
(j) (Gain)/loss on derivatives	-	-	-	-



SIG Gases Berhad  
(Company No:875083-W)

**A18. Significant related party transactions**

The Group had the following transactions during the current financial period with related parties in which certain directors of the Company have substantial financial interest:-

Nature of transactions	Transactions during the current financial quarter RM'000	Transactions Period-to-date RM'000	Balance outstanding as at 31 March 2016 RM'000
Purchase of refrigerants, cylinders, valves, liquid oxygen, liquid nitrogen, liquid argon, liquid carbon dioxide, specialty gases and overdue interest from companies in which the Company's director, Peh Lam Hoh has substantial financial interests.	4,051	4,051	1,541
Sales of industrial gases and equipment to companies in which the Company's director, Peh Lam Hoh has substantial financial interest	275	275	312

**NOTES TO THE REPORT****PART B –  
ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA  
MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)****B1. Review Of Performance Of The Group****Current Quarter 3 months ended 31 March 2016 vs. Preceding year corresponding Quarter 3 months ended 31 March 2015**

The current quarter recorded a revenue of RM19.05M, up RM2.75M or 16.89% as compared to the corresponding quarter. The increased revenue largely came from project jobs for supply of liquid nitrogen during the period.

The gross profit of the Group for the current quarter was RM5.75M, an increase of RM0.47M or 8.86% over the corresponding quarter. The improvement mainly came from project jobs. The gross profit margin was down from 32.43% to 30.20% due to lower average selling price achieved, increase in contract wages and provision for impairment of cylinders.

The Group has recorded a profit before tax of RM4.06M, an increase of RM2.80M over the corresponding quarter. This included a profit of RM2.66M from sale of 4 units of Semi- Detached Industrial Buildings at Bintulu which were completed recently. The share of profit from the associate company in line with the improved revenue, also improved from RM0.23M to RM0.43M in the current quarter. Selling & admin expenses increased by RM0.39M or 9.20% due to higher staff cost and other operating expenses. The finance charges reduced by RM0.19M or 37.33% with the partial repayment of interest-bearing term loan and creditors.

The current quarter's Group's profit after tax was RM3.11M, up RM2.24M largely due to approximately RM2.60M net profit from sale of the 4 units of industrial buildings in Bintulu.

**B2. Material Changes In The Quarterly Results Compared To The Results Of The Preceding Quarter**

The revenue of the Group for the current quarter was down by RM0.86M or 4.33% as compared to that of the preceding quarter. The lower revenue was due to lower project jobs and as well as sales of industrial gases.

The Gross profit was down by RM0.56M or 8.87% to RM5.75M, mainly due to higher raw materials cost and lower average selling price.

The Group recorded a profit before tax of RM4.06M as compared to a loss before tax of RM0.42M in the preceding quarter. The increase in profit before tax was mainly due to profit derived from the sale of 4 units of Semi-Detached Industrial Building at Bintulu, the increase in share of profit from the associate company by RM0.24M, lower selling and admin expenses by RM1.97M and the absence of the impairment of assets of RM2.26M.

The current quarter's Group's profit after tax was RM3.11M as compared to a loss after taxation of RM1.26M in the preceding quarter as a result of the overall impact of the abovementioned.

**NOTES TO THE REPORT****B3. Current Year Prospects**

As reported by Department of Statistics Malaysia, the growth of Malaysian Gross Domestic Product (GDP) 2016 was projected to be lower at 4.50%. The depressed oil price coupled with the weakening of MYR against US dollar and other currencies will have an impact on the Malaysian economy. The weakening of MYR may affect the cost of some of our imported materials and capital goods.

Malaysian overall industrial environment could be challenging in year 2016 with the anticipated cutting back of capital expenditure in the oil and gas sector, the austerity measures by government, the inflationary consumer prices, implementation of minimum wage rate and the global economic uncertainty arising from slowing-down of economic growth in China and stagnant Japanese economy and European economic community.

Despite the challenging times ahead, the management shall continue to implement cost-savings measures and to improve productivity in all the operation areas. The management is also exploring asset lightening measures and to widen revenue base to improve efficiencies of its capital resources and to enhance return to the shareholders.

In conclusion, despite the uncertainty posed by the macroeconomic environment set out above, we believe that with our various cost-savings exercises, re-alignment of assets duly in place, and gradual increase in revenue from our completed expansion projects and widening of revenue base, we remain cautiously optimistic about our performance for year 2016.

**B4. Profit Forecast And Profit Estimate**

The Group did not issue any profit forecast or profit estimate previously in any public document.

**B5. Income Tax Expense**

	<b>Current quarter 3 months ended 31 Mar 16 RM'000</b>	<b>Current financial period to date 31 Mar 16 RM'000</b>
In respect of the current period		
- Income tax	639	639
- Deferred tax	305	305
	<u>944</u>	<u>944</u>

NOTES TO THE REPORT

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

**B6. Status of Corporate Proposals**

The Public Issue of 49.2 million and Offer For Sales of 3 million ordinary shares of RM0.50 each in the Company at an issue price of RM0.58 had all been fully subscribed and the entire share capital of the Company of 150 million ordinary shares were listed on the Main Board of Bursa Malaysia Securities Berhad on 9 August 2010. The Company raised RM28.54 million from the public issue and the utilization of proceeds as at 12 May 2016 (the latest practicable date not earlier than seven (7) days from the date of issue of this report) is as follows:

No.	Description	Estimated timeframe for utilisations upon Listing	Proposed Utilisations	Amendment 1	Amendment 2	Actual Utilisations	Reclassification	Balances to be utilised	
			(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<b>1</b>	<b>Purchase of land and building its facilities</b>	60 months							
1.1	Sarawak - Samalaju Industrial Park		9,736	(2,500)	(2,690)	(3,628)	30	948	21%
1.2	Sarawak - Kemena Industrial Park, Bintulu		-	2,500		(2,500)		-	0%
1.3	Kuantan		2,500		1,250	(4,200)	587	137	4%
1.4	Melaka		2,500		1,440	(3,990)	50	-	0%
			14,736	-	-	(14,318)	667	1,085	7%
<b>2</b>	<b>Purchase of property, plant &amp; equipment</b>	12 months							
2.1	Cylinders		5,400			(5,400)		-	0%
2.2	Hydrogen long tube		1,000			(1,000)		-	0%
			6,400	-	-	(6,400)	-	-	0%
<b>3</b>	<b>Repayment of term loan</b>	12 months	4,200			(4,200)		-	0%
<b>4</b>	<b>Listing expenses*</b>	Immediately	3,200			(2,533)	(667)	-	0%
	<b>Total</b>		28,536	-	-	(27,451)	-	1,085	4%

The gross proceeds arising from the Offer for Sale, net of the relevant fees, accrued entirely to the Offeror and no part of the proceeds was received by the Company.

The excess of provision for Listing expenses of RM0.67 Million will be utilized in the purchase of land and building and its facilities as indicated in Section 2.8 (iv) of the Prospectus.

**1. Proposed Two-Call Rights Issue**

On 5 September 2014, the Company had announced on its proposed enforceable two-call rights issue of 37,500,000 new ordinary shares of RM0.50 each ("Shares") ("Rights Shares") on the basis of one (1) Rights Share for every four (4) existing Shares held on an entitlement date to be determined later, at an issue price of RM0.50 per Rights Share, of which the first call of RM0.30 per Rights Share is payable in cash and the second call of RM0.14 per Rights Share ("Second Call") is to be capitalised from the share premium reserve of SIG. On 20 October 2014, the Company announced that the Board of directors resolved that the Second Call be capitalised instead from the retained earnings reserve of SIG ("Proposed Two-Call Rights Issue").

On 21 October 2014, the Company had announced that Bursa Malaysia Securities Berhad ("Bursa Securities") had vide its letter dated 20 October 2014, which was received on 21 October 2014, approved the listing of and quotation for the 37,500,000 Rights Shares on the Main Market of Bursa Securities, subject to the certain conditions as disclosed in the said announcement and in its circular to shareholders dated 28 October 2014.

On 13 November 2014, the shareholders of the Company had approved the Proposed Two-Call Rights Issue.

The Proposed Two-Call Rights Issue has been completed on 30 December 2014.

No.	Description	Estimated timeframe for utilisations upon Listing	Proposed Utilisations	Actual Utilisations	Balances to be utilised	
			(RM'000)	(RM'000)	(RM'000)	%
<b>1</b>	<b>PURCHASE OF EQUIPMENT</b>	within 18 months				
1.1	1 HYDROGEN COMPRESSOR		370	(370)	-	0%
1.2	CYLINDERS & VALVES		3,680	(3,202)	478	13%
1.3	UPGRADE COMPUTER SYSTEM		150	(150)	-	0%
<b>2</b>	<b>REPAYMENT OF BANK BORROWINGS</b>	within 6 months	6,500	(6,500)	-	0%
<b>3</b>	<b>WORKING CAPITAL</b>	within 6 months	2,000	(2,000)	-	0%
<b>4</b>	<b>EXPENSES IN RELATION TO THE PROPOSED TWO-CALL RIGHTS ISSUE</b>	within 3 months	800	(713)	87	11%
	<b>Total</b>		13,500	(12,935)	565	4%

## NOTES TO THE REPORT

### PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B) (CONT'D)

#### B7. Group Borrowing and Debts Securities

The Group's borrowings and debts securities as at 31 March 2016 are as follows:

	RM'000
<b>Long term borrowings</b>	
<u>Secured:</u>	
Obligation under finance lease	308
Term loans	1,425
	<u>1,733</u>
<b>Short term borrowings</b>	
<u>Secured</u>	
Obligation under finance lease	293
Bankers acceptance and revolving credit	15,315
Term loans	3,389
Leasing creditors	1
	<u>18,998</u>
Total	<u><u>20,731</u></u>

#### B8. Breakdown of realised and unrealised profits or losses of the Group

	At end of current quarter 31-Mar-16 RM'000	At end of preceding quarter 31-Dec-15 RM'000
Realised profits	28,005	23,880
Unrealised gain/(losses)	(937)	(632)
Total retained profits	<u>27,068</u>	<u>23,248</u>
Associated company - Realised	426	1,131
	<u>27,494</u>	<u>24,379</u>
Less: Consolidations adjustments	-	-
Retained profits as per statement of financial position	<u><u>27,494</u></u>	<u><u>24,379</u></u>

#### B9. Material Litigation

There was no material litigation as at the date of issuance of this quarterly report.

#### B10. Dividends

No interim dividend has been declared during the current quarter.

#### B11. Earnings Per Share

Basic earnings per share are calculated based on weighted average number of ordinary shares in issue and profit attributable to equity holders of the Group.