

**CHIN HIN GROUP BERHAD (1097507-W)****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2015***(The figures have not been audited)*

	Individual Quarter		Cumulative Quarter (Audited)	
	31 December 2015 RM'000	31 December 2014 RM'000	31 December 2015 RM'000	31 December 2014 RM'000
Revenue	288,265	294,481	1,199,152	1,219,418
Cost of sales	(261,343)	(264,287)	(1,096,599)	(1,131,247)
Gross profit	26,922	30,194	102,553	88,171
Other operating income	1,701	4,223	5,134	16,306
Administrative expenses	(11,930)	(13,895)	(48,012)	(42,560)
Finance costs	(5,603)	(5,717)	(20,920)	(18,702)
Profit before taxation	11,090	14,805	38,755	43,215
Taxation	(833)	(4,721)	(8,534)	(13,029)
Profit after taxation	10,257	10,084	30,221	30,186
Other comprehensive income after tax:				
Exchange translation differences	-	-	-	-
Realisation of revaluation reserve	-	1	-	4
Total comprehensive income for the financial year	10,257	10,085	30,221	30,190
<b>PROFIT AFTER TAX ATTRIBUTABLE TO:</b>				
-Owners of the Company	10,257	10,084	30,221	30,186
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
- Owners of the Company	10,257	10,085	30,221	30,190
Weighted average no. of ordinary shares ('000)	442,690	221,345	442,690	221,345
Earnings per share attributable to owners of the Company (sen):				
- Basic	2.32	4.56	6.83	13.64

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial report.

# CHIN HIN GROUP BERHAD (1097507-W)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

*(The figures have not been audited)*

	31 December 2015 RM'000	(Audited) 31 December 2014 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	200,759	187,070
Investment properties	103,491	95,676
<b>TOTAL NON-CURRENT ASSETS</b>	<b>304,250</b>	<b>282,746</b>
<b>CURRENT ASSETS</b>		
Inventories	44,770	44,154
Trade receivables	301,357	291,278
Other receivables	16,215	18,946
Hire purchase receivables	715	1,130
Derivative financial assets	38	4
Current tax assets	380	303
Fixed deposits with licensed banks	11,271	29,977
Cash and bank balances	168,874	118,030
	543,620	503,822
Assets held for sale	3,663	15,794
<b>TOTAL CURRENT ASSETS</b>	<b>547,283</b>	<b>519,616</b>
<b>TOTAL ASSETS</b>	<b>851,533</b>	<b>802,362</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	221,345	221,345
Merger reserve	(153,192)	(153,192)
Translation reserve	453	45
Revaluation reserve	8,768	8,768
Retained earnings	183,873	153,652
<b>TOTAL EQUITY</b>	<b>261,247</b>	<b>230,618</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	149,817	138,774
Other payables	13,350	20,548
Amount owing to directors	10,909	10,857
Hire purchase payables	11,742	9,379
Bank borrowings	317,987	324,149
Current tax liabilities	3,211	5,134
<b>TOTAL CURRENT LIABILITIES</b>	<b>507,016</b>	<b>508,841</b>

## CHIN HIN GROUP BERHAD (1097507-W)

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015 (Cont'd)

*(The figures have not been audited)*

	31 December 2015 RM'000	(Audited) 31 December 2014 RM'000
<b>NON-CURRENT LIABILITIES</b>		
Finance lease payables	8,373	12,069
Bank borrowings	70,915	46,712
Deferred tax liabilities	3,982	4,122
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>83,270</b>	<b>62,903</b>
<b>TOTAL LIABILITIES</b>	<b>590,286</b>	<b>571,744</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>851,533</b>	<b>802,362</b>
<b>NET ASSET PER SHARE (sen)</b>	<b>59.01</b>	<b>52.09</b>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial report.

## CHIN HIN GROUP BERHAD (1097507-W)

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

(The figures have not been audited)

	<----- Non-Distributable ----->				Distributable	Total Equity RM'000
	Share Capital RM'000	Merger Reserve RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	
<b>(Audited)</b>						
At date of incorporation	① -	-	-	-	-	① -
Acquisition of subsidiary companies	-	-	-	8,772	153,262	162,034
Profit for the financial period	-	-	-	-	30,186	30,186
Realisation of revaluation reserve	-	-	-	(4)	4	-
Total comprehensive income for the financial period	-	-	-	(4)	30,190	30,186
Foreign exchange translation	-	-	45	-	-	45
Effect arising from merger method of accounting	221,345	(153,192)	-	-	-	68,153
	221,345	(153,192)	45	8,768	183,452	260,418
Transaction with owners:						
Issue of ordinary shares	② -	-	-	-	-	② -
Dividends	-	-	-	-	(29,800)	(29,800)
Total transaction with owners	-	-	-	-	(29,800)	(29,800)
Balance as at 31 December 2014	221,345	(153,192)	45	8,768	153,652	230,618
<b>(Unaudited)</b>						
Balance as at 1 January 2015	221,345	(153,192)	45	8,768	153,652	230,618
Profit for the financial year	-	-	-	-	30,221	30,221
Foreign exchange translation	-	-	408	-	-	408
Balance as at 31 December 2015	221,345	(153,192)	453	8,768	183,873	261,247

#### Notes:

- ① Represents RM 1  
② Represents RM 49

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial report.

# CHIN HIN GROUP BERHAD (1097507-W)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

(The figures have not been audited)

	31 December 2015 RM'000	(Audited) 31 December 2014 RM'000
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	38,755	43,215
Adjustment for:		
Bad debts written off	-	2,735
Depreciation of property, plant and equipment	14,743	13,103
Fair value adjustment on investment properties	-	(5,878)
Gain on derivative financial liability	(34)	(55)
Gain on disposal of property, plant and equipment	(15)	(324)
Gain on disposal of investment property	-	(3,712)
Gain on disposal of assets held for sale	(365)	(1,221)
Gain on unrealised foreign exchange	(229)	-
Impairment on trade receivables	2,844	1,185
Interest expenses	20,920	19,016
Interest income	(702)	(2,134)
Inventory written off	-	70
Loss on disposal of investment in subsidiary companies	-	550
Property, plant and equipment written off	-	26
Reversal of allowance for doubtful debts	(2,576)	(1,098)
Waiver of debts from other payables	-	(116)
<b>Operating profit before working capital changes</b>	<b>73,341</b>	<b>65,362</b>
<b>Changes in working capital:</b>		
Inventories	(616)	(5,561)
Trade receivables	(10,347)	41,810
Other receivables	2,729	23,470
Hire purchase receivables	416	925
Trade payables	11,043	(29,342)
Other payables	(7,198)	(16,367)
Exchange differences	637	43
Amount due to directors	52	41,060
	(3,284)	56,038
Cash generated from operations	70,057	121,400
Interest paid	(20,920)	(19,016)
Interest received	702	2,134
Tax paid	(10,886)	(9,378)
Tax refund	211	-
	(30,893)	(26,260)
<b>Net cash generated from operating activities</b>	<b>39,164</b>	<b>95,140</b>

## CHIN HIN GROUP BERHAD (1097507-W)

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

*(The figures have not been audited)*

	<b>31 December 2015 RM'000</b>	<b>(Audited) 31 December 2014 RM'000</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(33,204)	(12,356)
Purchase of investment properties	(319)	(22)
Purchase of assets held for sales	-	(719)
Proceeds from disposal of investment properties	-	7,414
Proceeds from disposal of assets held for sales	5,000	3,244
Proceeds from disposal of investment in subsidiary companies	-	1,000
Proceeds from disposal of property, plant and equipment	6,194	9,918
Net cash (used in)/generated from investing activities	<u>(22,329)</u>	<u>8,479</u>
<b>Cash Flows From Financing Activities</b>		
Drawdown of term loans	61,057	15,347
Net changes on bankers' acceptance, trust receipt and revolving credits	(26,160)	(36,044)
Release in fixed deposits pledged	18,707	24,359
Repayment of finance lease payables	(2,739)	(8,969)
Repayment of term loans	(13,858)	(7,364)
Net cash generated from/(used in) financing activities	<u>37,007</u>	<u>(12,671)</u>
<b>Net increase in cash and cash equivalents</b>	53,842	90,948
<b>Cash and cash equivalents at the beginning of the financial period/ date of incorporation</b>	<u>112,060</u>	<u>21,112</u>
<b>Cash and cash equivalents at the end of the financial period</b>	<u>165,902</u>	<u>112,060</u>
Cash and cash equivalents at the end of the financial period comprises:		
Cash and bank balances	168,874	118,030
Bank overdraft	(2,972)	(5,970)
Fixed deposits with licensed banks	11,271	29,977
	<u>177,173</u>	<u>142,037</u>
Less: Fixed deposits pledged to licensed banks	(11,271)	(29,977)
	<u>165,902</u>	<u>112,060</u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial report.

## NOTES TO THE INTERIM FINANCIAL REPORT

### A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

#### A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") No. 134- Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements ("Listing Requirements").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial report.

The accounting policies adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2014. The Group has adopted those standards, amendments and interpretations that have become effective 1 January 2014 and such adoptions do not have material impact on the financial position and performance of the Group.

The Group has not applied the following standards, amendments and interpretations under MFRS framework that have been issued by the Malaysia Accounting Standards Board as they have yet to be effective for the Group.

#### **MFRSs AND IC Interpretations (Including The Consequential Amendments)**

#### **Effective dates for financial period beginning on and after**

MFRS 14 – Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 11	
- Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 101 - Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138	
- Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141 - Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 127	
- Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendments to MFRS 10, 12 and 128	
- Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 9 – Financial Investments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 – Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 10 and MFRS 128 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

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**A2. Auditors' report of preceding annual audited financial statements**

The auditors' report on the preceding year's audited financial statements was not subject to any qualification.

**A3. Seasonal or cyclical factors**

The businesses of the Group were not affected by seasonal or cyclical factors in the current financial quarter.

**A4. Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter.

**A5. Material changes in estimates**

There were no material changes in estimates used in reporting the current financial quarter as compared to the financial statements of the Group for the financial year ended 31 December 2014.

**A6. Debt and equity securities**

The Company had on 2 December 2014 completed the acquisitions of the entire 100% equity interest of PP Chin Hin Sdn Bhd, Chin Hin Concrete Holdings Sdn Bhd, Ace Logistic Sdn Bhd, C&H Transport Sdn Bhd and PP Chin Hin Pte Ltd for a total consideration of RM221,345,000 satisfied via the issuance of 442,690,000 new ordinary shares of RM0.50 each ("Share") ("Acquisitions"). The Acquisitions were undertaken in preparation of the Company's listing on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities")

Save for the issuance of Shares pursuant to the Acquisitions which were completed in the preceding financial year, there was no issuance of debt and equity securities during the current financial quarter and financial year.

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**A7. Segmental information**

The Group's operating activities were derived from five (5) main business segments, namely the following:-

	<b>Year to date ended 31 December 2015</b>	<b>Year to date ended 31 December 2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>		
Distribution of building material and logistics services	793,489	841,419
Ready-mixed concrete	162,132	207,180
Manufacturing of autoclaved aerate concrete ("AAC") and precast concrete	95,429	46,065
Manufacturing of steel mesh and metal roofing systems	143,544	120,169
Other activities	4,558	4,585
	<u>1,199,152</u>	<u>1,219,418</u>
<b>Profit before taxation</b>		
Distribution of building material and logistics services	14,917	20,128
Ready-mixed concrete	7,058	12,108
Manufacturing of autoclaved aerate concrete ("AAC") and precast concrete	9,038	4,824
Manufacturing of steel mesh and metal roofing systems	3,184	1,570
Other activities	4,558	4,585
	<u>38,755</u>	<u>43,215</u>

No other segmental information such as segment assets and liabilities are presented as the Group is principally engaged in one industry that is the building material industry.

**A8. Dividend paid**

There was no dividend paid or declared for the current financial quarter and financial year.

**A9. Valuation of property, plant and equipment**

The Group has not carried out any valuation on its property, plant and equipment in the current financial quarter.

**A10. Capital commitments**

The capital commitments of the Group as at 31 December 2015 were as follows:-

	<b>RM'000</b>
Authorised and contracted for: -acquisition of property, plant and equipment	<u>289</u>

**A11. Changes in the composition of the Group**

There were no material changes in the composition of the Group for the current financial quarter.

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### A12. Contingent liabilities and contingent assets

There were no contingent assets as at the date of this interim financial report. Contingent liabilities of the Group as at 31 December 2015 were as follows:-

#### Unsecured

Corporate guarantees given to the licensed banks for credit facilities granted to its related companies amounting to RM176.86 million.

### A13. Material events subsequent to the end of the quarter

Save as disclosed below, there were no other material events subsequent to the end of current quarter and financial year that have not been reflected in this interim financial report.

The Company will be implementing an initial public offering ("IPO") in conjunction with its listing on the Main Market of Bursa Securities comprising:-

- (I) Public issue of 63,197,900 Shares in the following manner:-
- 25,294,400 new Shares available for application by the Malaysian public;
  - 6,400,000 new Shares available for application by our eligible directors and employees; and
  - 31,503,500 new Shares by way of placement to identified investors.
- (II) Offer for sale of 65,000,000 existing Shares in the following manner:-
- 14,411,200 existing Shares by way of placement to identified investors; and
  - 50,588,800 existing Shares by way of placement to Bumiputera investors approved by the Ministry of International Trade and Industry

at an issue/offer price of RM0.65 per Share, payable in full upon application.

### A14. Related party transactions

Our Group's transactions with companies in which our directors or substantial shareholders have interest in for the financial year ended 31 December 2015 were as follows:-

	<b>Year to date ended 31 December 2015 RM'000</b>
Transaction with companies in which the Directors or substantial shareholders have financial interest	
-Transportation services	16,044
-Sales of goods	3,288
-Purchase of goods	12,649
-Rental received/receivables	3,158
-Rental paid/payables	139
-Insurance and road tax payment	520
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### B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

#### B1. Review of performance

##### Comparison with Corresponding Quarter's results

For the current financial quarter under review, the Group recorded revenue of RM288.27 million and profit before tax of RM11.09 million, as compared to revenue of RM294.48 million and profit before tax of RM14.81 million respectively in the corresponding quarter of last year.

The lower revenue were mainly due to lower turnover from the distribution of building material and ready-mixed concrete sector as a result of softening housing construction activities in 2015 and stiff competition in the market for ready-mixed concrete. However, the decrease in revenue from distribution of building material and ready mixed concrete products were offset by an increase in revenue from manufacturing of AAC, precast concrete, steel mesh and metal roofing systems products due to new orders secured.

During the corresponding quarter of last year, the Group had benefited from a fair value gain of RM5.70 million arising from the revaluation of factories. Such one off gain had resulted in the current quarter's profit before taxation being comparatively lower than the corresponding quarter of last year.

##### Comparison with Preceding Financial Year

For the financial year ended 31 December 2015, the Group's revenue has decreased by RM20.27 million or 1.66% to RM1,199.15 million as compared to RM1,219.42 million in the previous year. The decrease was mainly due to lower revenue contribution from our distribution of building materials and ready-mixed concrete which was set off by the increase in revenue from manufacturing of AAC, precast concrete products and wire mesh products.

For the year under review, the Group's overall gross profit increased by RM14.38 million or 16.31% from RM88.17 million in 2014 to RM102.55 million in 2015 with corresponding increase in the gross profit margin from 7.23% in 2014 to 8.55% in 2015. The overall increase in the Group gross profit and gross profit margin was mainly contributed by high product margin from the manufacturing of AAC and precast concrete.

For the year under review, the Group achieved a profit before tax of RM38.76 million, a decrease of RM4.46 million or 10.32% as compared to RM43.22 million in the previous year. During the preceding financial year, the Group had benefited from various one-off gains as follows:-

- (a) Gain on disposal of properties of RM4.93 million; and
- (b) Fair value gain of RM5.88 million from the revaluation of factories in Nilai and Bandar Serendah.

Such one-off gains have resulted in the current operating profit before taxation being comparatively lower than the preceding financial year. For comparative purposes if the above mentioned gains totalling RM10.81 million are excluded from our 2014 profit before taxation, our Group's profit before taxation for 2015 increased by RM6.35 million or 19.60% as compared to the preceding financial year.

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**B2. Comparison with immediate preceding quarter's results****CURRENT QUARTER vs. PRECEDING QUARTER**

	<b>31 December 2015 RM'000</b>	<b>30 September 2015 RM'000</b>
Revenue	<u>288,265</u>	<u>276,189</u>
Profit Before Taxation	<u>11,090</u>	<u>7,200</u>

The Group's revenue for the current quarter ended 31 December 2015 has increased by RM12.08 million or 4.37% to RM288.26 million as compared to RM276.19 million in the preceding financial quarter ended 30 September 2015.

The increase in revenue is mainly attributed by higher sales volume recorded by the distribution of building material and logistic services, ready-mixed concrete and manufacturing of AAC and precast concrete business segments. The Group also recorded an increase in profit before taxation of RM3.89 million or 54.03% from RM7.20 million in the preceding financial quarter ended 30 September 2015. Such increase is mainly due to the sales of better margin products. In addition, the Group also benefited from the reversal of impairment of receivables since we managed to recover the old debts which were provided for earlier.

**B3. Prospects**

The building materials industry is largely dependent on the construction industry and the outlook remains encouraging as the Malaysian construction industry continues to be driven by government-led initiatives and spending.

Following the awareness promoted after the initiatives by Greenbuildingindex Sdn Bhd and incentives for Green Building Index certified projects for the 2009 to 2014 period, the construction industry may anticipate greater adoption of green building practices moving forward. The proliferation in green building design and construction along with the expected rise in usage of green building materials are expected to drive the building materials industry.

Moving forward, we have put in place a series of business plans that are focused on expanding our presence and market share both in the domestic and regional markets, expanding our range of building material products as well as expanding our new manufacturing plant and production facilities. These future plans will help us to sustain our business and provide growth opportunities for our Group.

The Group is optimistic that it will continue to benefit from the Government's various infrastructure projects under the 11th Malaysian Plan. In addition, the Group will continue its efforts to streamline and improve its operational cost efficiency to remain competitive for the financial year ending 31 December 2016.

**B4. Estimates/Forecast**

The Group has not provided any revenue or profit guidance in any public documents.

**B5. Taxation**

The applicable income tax rate is 25% except for the Group's subsidiary company, PP Chin Hin Pte Ltd which is subject to the statutory rate of 17% based on Singapore's tax regime.

	Individual Quarter		Cumulative Quarter (Audited)	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
- Current financial period	1,828	4,097	10,000	11,827
- (Over) provision in prior year	(143)	(385)	(1,285)	(133)
	<u>1,685</u>	<u>3,712</u>	<u>8,715</u>	<u>11,694</u>
Deferred tax				
- Current financial period	61	1,161	1,028	(327)
- (Over) provision in prior year	(913)	(152)	(1,209)	1,662
Total tax expense	<u>833</u>	<u>4,721</u>	<u>8,534</u>	<u>13,029</u>

**B6. Status of corporate proposals and utilisation of proceeds**
**(i) Status of corporate proposal**

Save for the IPO, there is no corporate proposal announced as at the date of this report.

**(ii) Utilisation of proceeds**

Based on the IPO price of RM0.65 per share, the gross proceeds arising from the public issue of our shares of RM41.08 million shall accrue entirely to our Company and are planned to be utilised within twenty four (24) months from the date of our listing in the following manner:-

Proposed Utilisation	RM'000	%	Estimated timeframe for use (from the listing date)
i) Expansion of existing manufacturing facility and purchase of new equipment and machineries	15,000	36.5	Within twenty four (24) months
ii) Repayment of bank borrowings	15,000	36.5	Within six (6) months
iii) Working capital requirements	7,079	17.2	Within twenty four (24) months
iv) Estimated listing expenses	4,000	9.8	Immediately
	<u>41,079</u>	<u>100</u>	

The Company's receipt of the above mentioned proceeds is pending the listing of our Shares on the Main Market of Bursa Securities on 8 March 2016.

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**B7. Borrowings**

The Group's borrowings are all secured and denominated in Ringgit Malaysia, details are as follows:-

	<b>As at 31 December 2015 RM'000</b>	<b>(Audited) As at 31 December 2014 RM'000</b>
Bank overdrafts	2,972	5,970
Revolving credits	2,000	2,000
Bankers' acceptance	281,084	307,244
Term loans	102,846	55,647
<b>Total bank borrowings</b>	<b><u>388,902</u></b>	<b><u>370,861</u></b>

**Total bank borrowings comprise:-**

**Current:**

Bank overdraft	2,972	5,970
Revolving credits	2,000	2,000
Bankers' acceptance	281,084	307,244
Term loans	31,931	8,935
	<b><u>317,987</u></b>	<b><u>324,149</u></b>

**Non-current:**

Term loans	70,915	46,712
	<b><u>388,902</u></b>	<b><u>370,861</u></b>

**B8. Changes in material litigation**

As at a date not earlier than seven (7) days from the date of this report, there is no litigation or arbitration, which has a material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or of any fact likely to give rise to any proceedings.

**B9. Dividend Proposed**

There was no dividend paid or declared for the current financial quarter and financial year.

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**B10. Earnings per share**

The basic earnings per share is calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	Individual Quarter		Cumulative Quarter (Audited)	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Profit attributable to ordinary equity holders of the Group (RM'000)	10,257	10,084	30,221	30,186
Weighted average number of ordinary shares in issue ('000)	<u>442,690</u>	<u>221,345</u>	<u>442,690</u>	<u>221,345</u>
Basic earnings per share (sen)	<u>2.32</u>	<u>4.56</u>	<u>6.83</u>	<u>13.64</u>

Note:

^ Basic earnings per share for the quarter and financial year is calculated based on the net profit divided by the weighted average number of ordinary shares for the quarter and financial year respectively.

**B11. Retained and unrealised profits/losses**

	<b>As at 31 December 2015 RM'000</b>
Total retained earnings of the Group	
- Realised	181,383
- Unrealised	<u>2,490</u>
	<u>183,873</u>

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**B12. Disclosure on selected expense/income items as required by the Listing Requirements**

Included in profit before tax comprised the following expense/(income) items:

	<b>As at 31 December 2015 RM'000</b>	<b>(Audited) As at 31 December 2014 RM'000</b>
Profit before taxation is arrived at after charging/(crediting):-		
Depreciation of property, plant & equipment	14,743	13,103
Bad debts written off	-	2,735
Bad debts recovered	-	(6)
Fair value adjustment on investment properties	-	(5,878)
Gain on derivative financial liability	(34)	(55)
Gain on disposal of property, plant and equipment	(15)	(324)
Gain on disposal of investment property	-	(3,712)
Gain on disposal of assets held for sale	(365)	(1,221)
Gain on unrealised foreign exchange	(229)	-
Property, plant and equipment written off	-	26
Impairment of trade receivables	2,844	1,185
Interest expense	20,920	19,016
Interest income	(702)	(2,134)
Inventories written off	-	70
Loss on disposal of subsidiary	-	550
Realised gain on foreign exchange	-	(895)
Reversal of impairment on trade receivables	(2,576)	(1,098)

**B13. Comparative figures**

Comparatives figures, where applicable, have been modified to conform to the current presentation.

**BY ORDER OF THE BOARD**

**3<sup>rd</sup> March 2016**