

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED  
31 MARCH 2015 (UNAUDITED)**

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31/03/2015 (RM'000)	Preceding Year Corresponding Quarter 31/03/2014 (RM'000)	Current Year to date 31/03/2015 (RM'000)	Preceding Period Ended 31/03/2014 (RM'000)
<b>Continuing Operations:</b>				
<b>Revenue</b>	75,226	52,485	75,226	52,485
Cost of sales	(62,063)	(52,244)	(62,063)	(52,244)
Gross profit	13,163	241	13,163	241
Other operating income	2,251	1,424	2,251	1,424
Finance cost	(542)	(625)	(542)	(625)
Gain/(loss) on financial assets measured at fair value	-	-	-	-
Share of profit/(loss) of associates	-	-	-	-
Profit before tax	14,872	1,040	14,872	1,040
Income tax expense	(2,232)	(859)	(2,232)	(859)
<b>Profit for the period from continuing operations</b>	12,640	181	12,640	181
<b>Loss from discontinued operation</b>	-	-	-	-
<b>Profit for the period</b>	12,640	181	12,640	181
<b>Other Comprehensive Income:</b>				
Gain on revaluation of property, plant and equipment	-	-	-	-
<b>Other Comprehensive Income net of tax</b>	-	-	-	-
<b>Total Comprehensive Income for the period</b>	12,640	181	12,640	181
<b>Net Profit/(loss) attributable to:</b>				
Owners of the Parent				
- income from continuing operations	10,985	(19)	10,985	(19)
- loss from discontinued operations				
Non-Controlling Interest	1,655	200	1,655	200
Profit for the period	12,640	181	12,640	181
Total comprehensive income attributable to:				
Owners of the Parent	10,985	(19)	10,985	(19)
Non-Controlling Interest	1,655	200	1,655	200
	12,640	181	12,640	181
Earnings/(Loss) per share (in sen)				
Basic EPS (in sen)	10.00	(0.02)	10.00	(0.02)
Fully diluted EPS (in sen)	N/A	N/A	N/A	N/A

Note:-N/A – Not applicable

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2014)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015**

	Unaudited As at 31/03/2015 RM'000	Audited As at 31/12/2014 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	208,602	210,030
Investment properties	41,415	41,461
Investment in associated company	0	0
Other Investment	725	725
	250,742	252,216
<b>Current Assets</b>		
Inventories	98,806	101,121
Property Development Cost	11,682	12,582
Trade receivables	42,171	43,917
Other receivables	5,692	5,851
Tax recoverable	988	1,077
Short-term investments	15,105	15,105
Deposit with licensed banks	7,710	7,029
Cash and bank balances	23,225	19,713
	205,379	206,395
<b>TOTAL ASSETS</b>	<b>456,121</b>	<b>458,611</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owner of the parents</b>		
Share Capital	109,851	109,851
Share premium	92,431	92,431
Reserves attributable to revenue	0	0
Other reserves	122,042	122,041
Retained earnings-profit/(loss)	8,355	(2,652)
	332,679	321,671
<b>Non-Controlling Interest</b>	29,475	28,309
<b>Total Equity</b>	362,154	349,980
<b>Non-current liabilities</b>		
Deferred Taxation	13,263	13,412
Hire Purchase obligations	510	1,242
Bank borrowings	12,153	15,656
	25,926	27,411
<b>Current Liabilities</b>		
Trade payables	7,174	10,265
Other payables	27,088	34,240
Provision for liabilities	2,273	2,273
Hire purchase obligations	904	709
Bank borrowings	27,456	29,635
Derivative financial instruments	501	2,635
Tax Payable	2,645	1,463
	68,041	81,220
<b>Total Liabilities</b>	<b>93,967</b>	<b>108,631</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>456,121</b>	<b>458,611</b>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<b>3.03</b>	<b>2.93</b>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2014)



**MINHO (M) BERHAD** (200930 – H)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2015.**

	← Attributable to equity holders of the company →								
	← Non-distributable →					Distributable			
	Share Capital	Share Premium	Reserve on consolidation	Asset revaluation reserves	Equity component from the replacement warrants	Retained Losses	Total	Non- Controlling Interest	
RM'000	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	RM'000	
<b>Period ended 31 March 2015</b>									
<b>Balance as at 01.01.2015</b>	109,851	92,431	13,464	108,577		(2,652)	321,671	28,309	349,980
Prior years adjustments - Opening balance adjustment in a subsidiary						23	23		23
Balance as at 01.01.2015 restated						(2,629)	321,694	28,309	350,003
Total comprehensive income for the period				-		10,985	10,985	1,655	12,640
Reversal due disposal of asset				-			-		-
Acquisition of additional equity in a subsidiary						-	-	-	-
Dividend distributed to Non-Controlling Interest							-	(490)	(490)
<b>Balance as at 31.03.2015</b>	109,851	92,431	13,464	108,577	-	8,356	332,679	29,474	362,153
<b>Period ended 31 March 2014</b>									
<b>Balance as at 01.01.2014</b>	109,851	92,431	13,464	108,577	1,498	(9,865)	315,956	27,603	343,559
Prior years adjustments						-	-		-
Total comprehensive income for the period						(19)	(19)	200	181
Acquisition of additional equity in a subsidiary							-	-	-
Impairment of property plant and equipment, motorvehicles and forklifts in subsidiaries							-		-
Dividend distributed to Non-Controlling Interest							-	(343)	(343)
<b>Balance as at 31.03.2014</b>	109,851	92,431	13,464	108,577	1,498	(9,884)	315,937	27,460	343,397

Note: Prior years adjustment-Additional tax provided for a subsidiary by the auditors in Profit & Loss for year end 31-12-2014.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2014)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2015.**

	Cumulative Period	
	Current Year to date 31/03/2015 <u>RM'000</u>	Preceding Period Ended 31/03/2014 <u>RM'000</u>
<b>Cash Flows From Operating Activities</b>		
<b>Profit/(Loss) before taxation</b>	14,872	1,040
Adjustments for :		
Depreciation, amortisation and impairment losses	1,777	2,101
Interest income	(46)	(36)
Interest expenses	507	603
Share of profit in associates		
Fair value gain of financial instruments measured at fair		
Provision:		
Provision for doubtful debts		
Write back of provision for doubtful debts		(5)
Write down of inventories	-	40
Write back of stock value	-	-
Other non-cash items		
(Gain)/loss on disposal of property, plant & equipment	166	(107)
Asset written off	-	-
Operating profit before changes in working capital	17,276	3,636
Net change in current assets	5,120	(2,995)
Net change in current liabilities	(10,243)	(1,360)
Cash flow from operation	12,153	(718)
Taxes paid	(991)	(1,092)
Taxes refund	-	4
<b>Net Cash Flows From Operating Activities</b>	<b>11,162</b>	<b>(1,807)</b>
<b>Cash Flows From Investing Activities:</b>		
Purchase of PPE and investment property	(125)	(37)
Purchase of freehold land		
Purchased freehold land for property development		
Purchase of financial assets		-
Acquisition of additional investment in a subsidiary company		
Proceeds from sale of non-current assets	-	107
Increase/(Decrease) in deposit with licensed bank & short term investments	681	(2,443)
Reclassified deposit with licensed bank to other investment		-
Dividend received	18	-
<b>Net Cash Used in Investing Activities</b>	<b>574</b>	<b>(2,373)</b>
<b>Cash Flows From Financing Activities:</b>		
Issue of ordinary shares	-	-
Bank borrowings and other liabilities (Net)	(8,900)	(2,127)
Repayment of hire purchase obligations	(286)	(326)
Dividends paid to non-controlling interest in subsidiary company	(490)	(343)
<b>Net Cash Flows From Financing Activities</b>	<b>(9,676)</b>	<b>(2,796)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>2,060</b>	<b>(6,976)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>41,847</b>	<b>39,376</b>
<b>Effects of changes in foreign exchange rates</b>	<b>2,133</b>	<b>300</b>
<b>Cash and Cash Equivalents at end of the period</b>	<b>46,040</b>	<b>32,701</b>
<b>Cash and cash equivalent comprise the following:-</b>		
Bank and cash balances	23,225	7,538
Short-term investments and Deposit with license bank	22,815	25,163
	<b>46,040</b>	<b>32,701</b>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2014)



**PART A – EXPLANATORY NOTES PURSUANT TO FRS 134: INTERIM FINANCIAL STATEMENT.**

**1. Basis of preparation and Accounting Policies.**

The interim financial statements are unaudited and has been prepared in accordance with the reporting requirements outlined in Financial Reporting Standards ("FRS") 134: "Interim Financial Reporting" and Paragraph 9.22 of the Bursa Malaysia Securities Berhad (Bursa) Main Market Listing Requirements.

The Interim Financial Report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014. It contains unaudited condensed consolidated financial statements and selected explanatory notes. These explanatory notes 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 2014. The condensed consolidated interim financial report and notes thereon do not include all of the information requires for a full set of financial statements prepared in accordance with Financial Reporting Standards (FRSs).

**1.1. Significant Accounting Policies**

The significant accounting policies and method of computation adopted by the Group are consistent with those of the audited financial statements for the financial year ended 31 December 2014, except for the adoption of the following new Financial Reporting Standards ("FRSs"), Amendments to FRSs and Interpretations by the Group. The significant accounting policies adopted in the preparation of this interim financial report are consistent with those in the audited financial statements for the year ended 31 December 2014.

The following new and amended FRSs and IC Interpretations mandatory for annual financial periods:-

**(i) Effective for annual periods beginning on or after 1 July 2014**

- Amendments to FRS 119, 'Employee Benefits': Defined Benefit Plans – Employee Contributions
- Annual Improvements to FRSs 2010 – 2012 Cycle
  - Amendments to FRS 2, 'Share-based Payment'
  - Amendments to FRS 3, 'Business Combinations'
  - Amendments to FRS 8, 'Operating Segments'
  - Amendments to FRS 13, 'Fair Value Measurement'
  - Amendments to FRS 116, 'Property, Plant and Equipment'
  - Amendments to FRS 124, 'Related Party Disclosures'
  - Amendments to FRS 138, 'Intangible Assets'
- Annual Improvements to FRSs 2011 – 2013 Cycle
  - Amendments to FRS 3, 'Business Combinations'
  - Amendments to FRS 13, 'Fair Value Measurement'
  - Amendments to FRS 140, 'Investment Property'

**(ii) Effective for annual periods beginning on or after 1 January 2016**

- FRS 14, 'Regulatory Deferral Accounts'
- Amendments to FRS 10, 'Consolidated Financial Statements' and FRS 128, 'Investments in Associates and Joint Ventures' – Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture
- Amendments to FRS 11, 'Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations'
- Amendments to FRS 116, 'Property, Plant and Equipment' and FRS 138, 'Intangible Assets' – Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to FRS 127, 'Separate Financial Statements' – Equity Method in Separate Financial Statements



- Annual Improvements to FRSs 2012 – 2014 Cycle
  - FRS 5, 'Non-current Assets Held for Sale and Discontinued Operations'
  - FRS 7, 'Financial Instruments: Disclosures'
  - FRS 119, 'Employee Benefits'
  - FRS 134, 'Interim Financial Reporting'

**(iii) Effective for annual periods beginning on or after 1 January 2017**

- MFRS 1, 'First-time Adoption of MFRS'
- MFRS 15, 'Revenue from Contracts with Customers'

**(iv) Effective for annual periods beginning on or after 1 January 2018**

- MFRS 9, 'Financial Instruments (2014)'
- Amendments to MFRS 7, 'Financial Instruments: Disclosures' – Mandatory Effective Date of MFRS 9 and Transition Disclosures

**1.2. Malaysian Financial Reporting Standards.**

In November 2011, MASB published the Malaysian Financial Reporting Standards ('MFRS') Framework applicable to all non-private entities with effect from 1 January 2012, with the exception of entities that are within the scope of MFRS 141 'Agriculture' and IC Interpretation 15 'Agreement for the Construction of Real Estate', including their parents, significant investors and ventures' (herein referred as "Transitioning Entities"). Transitioning Entities were given an option to apply the MFRS Framework effective from 1 January 2013.

On 30 June 2012, MASB decided to allow Transitioning Entities to defer the adoption of MFRS Framework for another year. However, on 7 August 2013, MASB further extended the effective date for the adoption of MFRS Framework by Transitioning Entities to 1 January 2015. Pursuant to the MASB Notice issued on 2 September 2014 entitled 'Amendment to the effective date and applicability of the Malaysian Financial Reporting Standards', entities that have in the alternative chosen to apply FRSs shall comply with MFRSs for annual periods beginning on or after 1 January 2017. Therefore, the Group as a Transitioning Entity will apply the MFRS Framework for the annual period beginning on 1 January 2017. As a result, the FRSs and amendments to FRS those are effective for annual period beginning on or after 1 January 2017 are not applicable to the Group.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2017. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

**2. Auditors' Report On Preceding Annual Financial Statements**

The auditors' report of the audited financial statements for the financial year ended 31 December 2014 was not subject to any qualification.

**3. Seasonal or Cyclical Factors**

The business operations of the Group are generally affected negatively by the monsoon seasons and the major festive seasons namely Hari Raya Aidilfitri and Chinese New Year holidays. Such occasions not only undoubtedly limit our ability to undertake certain operational activities at our end; they do also, by and large, curtail demand from our customers, who are themselves also negatively impacted by these factors.

**4. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows.

**5. Changes In Estimates of Amounts Reported Previously**

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years which may have a material effect on the current interim period.

**6. Issuances and Repayments of Debt and Equity Securities**

There were no issuances or repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares by the Company for the financial period ended 31 March 2015.

**7. Dividends Paid**

There were no dividends declared and paid by the Company for the financial period ended 31 March 2015.

**8. Segment Information**

The Group's segment information for the financial period ended 31 March 2015 is as follows:-

	<b>Timber Extraction RM'000</b>	<b>Timber Trading RM'000</b>	<b>Manufacturing RM'000</b>	<b>Services &amp; Treatment RM'000</b>	<b>Property Development RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b>2015</b>								
<b>Revenue</b>								
<i>External Sales</i>	7,861	34,779	22,006	8,067	2,475	38		75,226
<i>Inter segmental sales</i>	-	2,067	1,897	2,592	-	-		6,556
<b>Total Revenue</b>	<b>7,861</b>	<b>36,846</b>	<b>23,903</b>	<b>10,659</b>	<b>2,475</b>	<b>38</b>		<b>81,782</b>
<b>Segments Profits</b>	6,838	2,544	2,221	3,083	143	46,783	(46,740)	14,872
Depreciation	(18)	(428)	(801)	(508)	(19)	3		(1,771)
Rental income of land and buildings	-	4	928	240	-	-		1,172
Net foreign exchange	-	1,657	476	-	-	-		2,133
Gain/(loss) on disposal of property, plant and equipment	-	95	66	5	-	-		166
Finance cost	-	(78)	(224)	(239)	(1)	-	-	(542)
Interest Income	-	1	33	0	4	8		46
Tax Expenses	-	(692)	(618)	(862)	(36)	(24)		(2,232)
<b>Segments Assets</b>	7,627	68,502	177,351	156,047	16,946	13,818		440,291
Other Investment			15,105			725		15,830
								456,121
<b>Segment Liabilities</b>	17,021	5,681	37,397	24,695	8,591	583		93,968



	<b>Timber Extraction</b>	<b>Timber Trading</b>	<b>Manufacturing</b>	<b>Services &amp; Treatment</b>	<b>Property Development</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>2014</b>								
<b>Revenue</b>								
<i>External Sales</i>	-	29,419	16,944	6,097	-	25	-	52,485
<i>Inter segmental sales</i>	-	1,819	2,169	1,584	-	-	-	5,572
Total Revenue	-	31,238	19,113	7,681	-	25	-	58,057
Segments Profits/(Loss)	(53)	(53)	444	675	(8)	392	(357)	1,040
Depreciation	(7)	(573)	(852)	(646)	(19)	(4)		(2,101)
Rental income of land and buildings	-	8	299	310	-	-		617
Net foreign exchange	-	33	267	-	-	-		300
Gain/(loss) on disposal of property, plant and equipment	-	100	-	6	-	-		106
Finance cost	-	(110)	(213)	(299)	(2)	-		(624)
Interest Income	-	-	22	-	9	4		35
Tax Expenses	-	(305)	(253)	(299)	-	(2)		(859)
Segments Assets	7,217	72,602	193,109	159,486	15,850	5,993		454,257
Other Investment						725		725
								454,982
Segment Liabilities	3,332	33,626	38,795	27,355	7,681	796		111,585

**9. Property, Plant, and Equipment.**

Carrying Amount of Revalued Assets

The valuations of property, plant, and equipment have been brought forward without amendment from the financial statements for year ended 31 December 2014.

**10. Material events Subsequent to the End of the Interim Reporting Period**

There are no material events subsequent to the financial period ended 31 March 2015 that have not been reflected in the related financial statements.

**11. Changes in the Composition of the Group**

There were no material changes in the composition of the Group during the financial period ended 31 March 2015.

**12. Contingent Liabilities – Unsecured**

As at 31 March 2015, the Company had contingent liabilities in the form of corporate guarantees given to financial institutions in respect of facilities granted to subsidiary companies amounting to RM118,424,576.71, of which an amount of RM26,568,036.00 were utilized.

**13. Capital Commitments**

There are no material capital commitments as at the date of this announcement.





# MINHO (M) BERHAD (200930 – H)

(Incorporated in Malaysia)

## 14. Related Party Transactions.

The summary of related party transactions for current quarter and cumulative period to date is as follows:-

Related Party	Interested Directors/Major Shareholders/persons connected to Directors or Major Shareholders	Nature of Recurrent Transaction(s)	Recurrent Transaction with Minho or Subsidiary Company	Frequency of Transaction	Total Value Transaction For The Year ended 31/03/2015 (RM ' 000)		Total Value Transaction For The Period 01/07/2014 to 31/03/2015 (RM ' 000)		Approved Value 26/06/2014 to 30/06/2015 (RM ' 000)		Balance of the approved amount as at 31/03/2015 (RM ' 000)		Debtors Ageing as at 31/03/2015 (RM ' 000)			Creditors Ageing as at 31/03/2015 (RM'000)				
					Receivables Payables		Receivables Payables		Receivables Payables		Receivables Payables		Receivables			Payables				
					30days	60days	90days	30days	60days	90days										
D M Timber Sdn Bhd ("DM")	<ul style="list-style-type: none"> <li>Minho Holdings Sdn Bhd ("Minho Holdings") is a major shareholder of Minho and holds 51% interest in DM.</li> <li>Dato' Loo Keng An, a director and major shareholder of Minho.</li> <li>Dato' Loo Keng An is also a director of DM and a major shareholder of Minho Holdings.</li> <li>Mr Eng Kin Hong the director of LTI, is also the director and major shareholder of DM and shareholder of Minho.</li> </ul>	Purchase of timber.	Lionvest Timber Industries Sdn Bhd	Monthly	-	448		1,836		15,000		13,164		1,023				1,023		
Minho Kilning (Klang) Sdn Bhd ("MKK")	<ul style="list-style-type: none"> <li>Minho Holdings holds 100% interest in MKK.</li> </ul>	<sup>(i)</sup> Rental & Storage Charges	Syarikat Minho Kilning Sdn Bhd ("SMK") <sup>(ii)</sup>	Monthly	-	675		1,991		4,500		2,509		671				450	221	
Oak Three Sdn Bhd ("OT") (formerly known as QR Printing Sdn Bhd)	<ul style="list-style-type: none"> <li>Minho Holdings holds 100% interest in OT.</li> <li>Mr Loo Say Leng is a director of OT, SMK and Minho.</li> <li>Mr Loo Say Leng is also a major shareholder of Minho Holdings and a person connected to Dato' Loo Keng An, a major shareholder of Minho.</li> <li>Mr Ng Hoe Chang is a director of OT and Minho and a shareholder of Minho and Minho Holdings.</li> </ul>	Insurance brokerage fee.	Syarikat Minho Kilning Sdn Bhd ("SMK")	Yearly	-	2		15		800		785		139				2		137
Mahawangsa Timber Industries Sdn Bhd ("MTI")	<ul style="list-style-type: none"> <li>Mr Eng Kin Hong the director of LTI, is also the director and major shareholder of MTI and shareholder of Minho.</li> </ul>	Purchase of logs.	LTI	Monthly	-	1,181		3,103		5,000		1,897		2,604				2,604		
		Sales of sawn timber and its related products.	LTI	Monthly	321	-	1,068		800		(268)		2,530		2,530					
Pembinaan Infra E&J Sdn Bhd ("EJ")	<ul style="list-style-type: none"> <li>Mr Yap Nam Fee is a major shareholder of EJ.</li> <li>Mr Yap Nam Fee is a director of EJ and MS of MS.</li> <li>EJ is also a major shareholder of MS.</li> </ul>	Construction cost for infrastructure & building works	My Squares Development Sdn Bhd ("MS")	Monthly	-	1,401		4,716		20,000		15,284		2,142				617		1,525
<b>Total</b>					<b>321</b>	<b>3,707</b>	<b>1,068</b>	<b>11,661</b>	<b>800</b>	<b>45,300</b>	<b>(268)</b>	<b>33,639</b>	<b>2,530</b>	<b>6,579</b>	<b>2,530</b>	<b>-</b>	<b>-</b>	<b>4,696</b>	<b>221</b>	<b>1,662</b>

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS****15. Review of Performance of the Company and its Principal Subsidiaries**

	3 MONTHS ENDED			YEAR-TO-DATE ENDED		
	Q1 2015 RM'000	Q1 2014 RM'000	%	31/03/2015 RM'000	31/03/2014 RM'000	%
<b>Revenue</b>						
- Timber Extraction	7,861	-	100%	7,861	-	100%
- Timber Trading	34,779	29,419	18%	34,779	29,419	18%
- Manufacturing	22,006	16,944	30%	22,006	16,944	30%
- Services & Treatment	8,067	6,097	32%	8,067	6,097	32%
- Property Development	2,475	-	100%	2,475	-	100%
- Others	38	25	52%	38	25	52%
	<u>75,226</u>	<u>52,485</u>	<u>43%</u>	<u>75,226</u>	<u>52,485</u>	<u>43%</u>
<b>Segment Profit</b>						
- Timber Extraction	6,838	(53)	13002%	6,838	(53)	13002%
- Timber Trading	2,544	(53)	4900%	2,544	(53)	-4900%
- Manufacturing	2,221	444	400%	2,221	444	400%
- Services & Treatment	3,083	675	357%	3,083	675	357%
- Property Development	143	(8)	1888%	143	(8)	-1888%
- Others	46,783	392	11834%	46,783	392	11834%
	61,612	1,397	4310%	61,612	1,397	4310%
Elimination	(46,740)	(357)	12992%	(46,740)	(357)	12992%
Profit before taxation	14,872	1,040	1330%	14,872	1,040	1330%
Taxation	(2,232)	(859)	160%	(2,232)	(859)	160%
Profit after taxation	12,640	181	6883%	12,640	181	6883%
Non-controlling interest	(1,655)	(200)	728%	(1,655)	(200)	728%
Net profit for the year	<u>10,985</u>	<u>(19)</u>	<u>-57916%</u>	<u>10,985</u>	<u>(19)</u>	<u>-57916%</u>

**(a). Three months period and Year to date.**

The Group registered total revenue of RM75.23 million for Q1 2015, an improvement of RM22.74 million or 43% from the RM52.49 million recorded in Q1 2014. All of the group's market segments recorded a comfortable growth in their turnover mainly due to better demand for timber products. In tandem with the higher turnover, the Group posted a superior pre-tax profit of RM14.87 million for the current quarter against the previous corresponding quarter figure of RM1.04 million. The major contributor to the significant improvement in turnover and pre-tax profit for the current quarter was the Timber Extraction segment, which saw its turnover and pre-tax profit increased by RM7.86 million and RM6.84 million respectively.

**Timber Extraction**

A total of 1,520 acres were logged in the current quarter generating a pre-tax profit of RM6.84 million compared to a pre-tax loss of RM53 thousand registered in the previous corresponding quarter.

**Timber Trading**

The turnover for this segment improved by RM5.36 million or 18%, mainly attributed to improved demand from the Group's main market i.e. the EU as some of its constituent countries enjoyed good recovery in their economy. Corresponding to the higher turnover coupled with well controlled operating cost, this segment disclosed a pre-tax profit of RM2.54 million compared to a pre-tax loss of RM53 thousand in the previous corresponding quarter.

**Manufacturing**

Total turnover for this segment grew by RM5.06 million or 30%. The turnover for the timber and wood-based products increased by RM5.16 million while the industrial paper bags division posted a small decline of RM101 thousand. This market segment posted a pre-tax profit of RM2.22 million mainly attributed to a better profit margin due to similar reasons mentioned in the preceding segment i.e. higher average selling price and unchanged operating cost.

**Services & Treatment**

Whilst the volume of incoming timber for kiln drying increased by 5,101 tons, the volume of preservative treatment declined by 549 tons. Due to a slight increase in the rate for kiln drying services charged, this segment recorded a turnover of RM8.07 million, up RM1.97 million compared to RM6.09 million for the previous corresponding quarter. Accordingly, this segment was able to register a higher pre-tax profit of RM3.08 million for the current quarter compared to much lower RM675 thousand achieved for the previous corresponding quarter.

**Property Development**

This segment launched a new residential development project in Q3 2014; the project is located in Meru, Klang with Gross Development Value (GDV) of RM19.53million. For the current quarter, this segment recognized 12.7% GDV or RM2.48 million as turnover. It reported a low pre-tax profit of RM143 thousand, compared to a pre-tax loss of RM8 thousand previously.

**16. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

	<b>THREE MONTHS</b>		<b>%</b>
	<b>Q1 2015</b>	<b>Q4 2014</b>	
	<b>RM'000</b>	<b>RM'000</b>	
<b>Revenue</b>			
- Timber Extraction	7,861	4,172	100%
- Timber Trading	34,779	21,727	60%
- Manufacturing	22,006	29,265	-25%
- Services & Treatment	8,067	6,958	16%
- Property Development	2,475	2,731	-9%
- Others	38	164	-77%
	<u>75,226</u>	<u>65,017</u>	16%
<b>Segment Profit</b>			
- Timber Extraction	6,838	887	671%
- Timber Trading	2,544	(324)	885%
- Manufacturing	2,221	924	140%
- Services & Treatment	3,083	843	266%
- Property Development	143	93	54%
- Others	46,783	58,455	-20%
	61,612	60,878	1%
Elimination	(46,740)	(58,553)	-20%
Profit before taxation	14,872	2,325	540%
Taxation	(2,232)	(224)	896%
Profit after taxation	12,640	2,101	502%
Non-controlling interest	(1,655)	(107)	1447%
Net profit for the year	<u>10,985</u>	<u>1,994</u>	451%

The Group's turnover for the current quarter under review was RM75.23 million, which was RM10.21 million or 16% more than the RM65.02 million registered in the preceding quarter. The market segments which showed improvement have a combined growth of RM17.85 million. This improvement was, however, partially offset by the results of Manufacturing, Property Development, and Others segments which fell a total of RM7.64 million.



With greater turnover, the Group's pre-tax profit escalated by RM12.54 million or 540%, from a pre-tax profit of RM2.33 million for the preceding quarter to RM14.87 million for the current quarter under review. The entire group's market segments enjoyed increases in their pre-tax profit with the Timber Extraction segment being the major contributor achieving an increase of RM5.95 million.

### 17. Prospects for Current Financial Year

The group performance for the second quarter of year 2015 is projected to be slightly lower than the first quarter of year 2015. The group anticipates reduced logging activities in the next quarter due to stringent conditions imposed by the authorities in the issuance of logging licenses. As for the Manufacturing and Trading segments, it is anticipated that demand for timber products will continue to improve. The percentage billing for the property development project is expected to improve as the project progresses.

### 18. Variance of Actual Profit from Forecast Profit

Not applicable.

### 19. Taxation

Taxation comprises:-

	Individual Quarter		Cumulative Quarter	
	Current year	Preceding year	Current year	Preceding year
	quarter	corresponding	to date	corresponding
	31/03/2015	quarter 31/03/2014	31/03/2015	period 31/03/2014
	RM'000	RM'000	RM'000	RM'000
Current taxation	2,232	863	2,232	863
(Over)/Under provision in respect of prior years		(4)		(4)
Foreign Taxation		-		-
Deferred Taxation		-		-
	<u>2,232</u>	<u>859</u>	<u>2,232</u>	<u>859</u>
Our share of results of associated companies	-	-	-	-
	<u>2,232</u>	<u>859</u>	<u>2,232</u>	<u>859</u>

The effective tax rates for the periods presented above are higher than the statutory tax rate principally due to losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries, and also to certain expenses which are not deductible for tax purposes.

### 20. Disposal of Unquoted Investments and Properties

There were no disposals of investments and/or properties for the financial period under review.

### 21. Quoted Securities

There were no purchases and/or disposals of quoted securities of the Group for the financial period ended 31 March 2015.

### 22. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 22 May 2015.



### 23. Group Borrowings

Total Group borrowings as at 31 March 2015 were as follows:-

	<u>RM'000</u>
Long Term Borrowings	
Secured	12,153
Unsecured	0
	<u>12,153</u>
Short Term Borrowings	
Secured	27,456
Unsecured	0
	<u>27,456</u>
<b>Total Borrowings</b>	<b><u>39,609</u></b>

### 24. Off Balance Sheet Financial Instruments

There are no material financial instruments with off balance sheet risk as at the date of this report.

### 25. Material Litigation

As at 22 May 2015, the latest practicable date that is not earlier than 7 days from the issue of this quarterly report, the Group is not engaged in any material litigation.

### 26. Dividend

No dividend has been recommended by the Board for the period ended 31 March 2015 (2014: Nil).

### 27. Earning/ (Loss) Per Share

(a) Basic earnings/ (loss) per share

Basic earnings/ (loss) per share of the Group is calculated by dividing the net earnings/ (loss) attributable to shareholders for the financial periods under review by the number of ordinary shares on issue during the said financial periods.

(b) Diluted earnings per share

Not applicable

### 28. Realised and Unrealised Profit/Loss Disclosures

	<u>As at</u> <u>31/03/2015</u> <u>RM'000</u>	<u>As at</u> <u>31/03/2014</u> <u>RM'000</u>
Total retained Profit /(Losses) of Minho (M) Berhad and its subsidiaries:		
- Realised	12,345	(5,894)
- Unrealised	<u>(3,989)</u>	<u>(3,991)</u>
	8,356	(9,885)
Add: Consolidated adjustments	<u>0</u>	<u>0</u>
Total group retained losses as per consolidated accounts	<u>8,356</u>	<u>(9,885)</u>



**29. Authorisation for issue**

This interim financial information has been approved for issue in accordance with a resolution of the Board of Directors dated 29 May 2015.

**By order of the Board**

Shah Alam, Selangor Darul Ehsan.

Dated: 29 May 2015.