

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015**

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Period	
	Current Year Quarter 30/09/2015 (RM'000)	Preceding Year Corresponding Quarter 30/09/2014 (RM'000)	Current Year to date 30/09/2015 (RM'000)	Preceding Period Ended 30/09/2014 (RM'000)
Continuing Operations:				
Revenue	64,155	55,378	209,226	173,583
Cost of sales	(57,463)	(53,748)	(187,197)	(167,221)
Gross profit	6,692	1,630	22,029	6,362
Other operating income	1,974	1,322	6,619	3,920
Finance cost	(542)	(618)	(1,671)	(1,907)
Gain/(loss) on financial assets measured at fair value	-	-	-	-
Share of profit/(loss) of associates	-	-	-	-
Profit before tax	8,124	2,334	26,977	8,375
Income tax expense	(2,330)	(1,121)	(5,942)	(3,256)
Profit for the period from continuing operations	5,794	1,213	21,035	5,119
Loss from discontinued operation	-	-	-	-
Profit for the period	5,794	1,213	21,035	5,119
Other Comprehensive Income:				
Exchange differences on translation of foreign operations	-	-	-	-
Gain on revaluation of property, plant and equipment	-	-	-	-
Actuarial gains and losses in defined benefit plans	-	-	-	-
Available-for-sale financial assets	-	-	-	-
Cash flow hedges	-	-	-	-
Share of other comprehensive income of associates	-	-	-	-
Income tax relating to components of OCI	-	-	-	-
Other Comprehensive Income net of tax	-	-	-	-
Total Comprehensive Income for the period	5,794	1,213	21,035	5,119
Net Profit/(loss) attributable to:				
Owners of the Parent				
- income from continuing operations	4,366	795	16,975	3,809
- loss from discontinued operations	-	-	-	-
Non-Controlling Interest	1,428	418	4,060	1,310
Profit for the period	5,794	1,213	21,035	5,119
Total comprehensive income attributable to:				
Owners of the Parent	4,366	795	16,975	3,809
Non-Controlling Interest	1,428	418	4,060	1,310
	5,794	1,213	21,035	5,119
Earnings/(Loss) per share (in sen)				
Basic EPS (in sen)	3.96	0.72	15.40	3.47
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)*

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015**

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 30/09/2015	Audited As at 31/12/2014
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, Plant and Equipment	206,766	210,030
Investment properties	41,283	41,461
Investment in associated company	0	0
Other Investment	725	725
	248,774	252,216
Current Assets		
Inventories	105,789	101,121
Property Development Cost	12,299	12,582
Trade receivables	44,239	43,917
Other receivables	8,445	5,851
Tax recoverable	409	0
Short-term investments	15,105	15,105
Deposit with licensed banks	11,097	7,029
Cash and bank balances	16,315	19,713
	213,698	205,318
TOTAL ASSETS	462,472	457,534
EQUITY AND LIABILITIES		
Equity attributable to owner of the parents		
Share Capital	109,851	109,851
Share premium	92,431	92,431
Treasury Shares	(668)	0
Reserves attributable to revenue	0	0
Other reserves	122,041	122,041
Retained earnings-profit/(loss)	14,345	(2,652)
	338,000	321,671
Non-Controlling Interest	31,880	28,309
Total Equity	369,880	349,980
Non-current liabilities		
Deferred Taxation	13,263	13,263
Hire Purchase obligations	788	907
Bank borrowings	10,473	13,241
	24,524	27,411
Current Liabilities		
Trade payables	8,879	10,265
Other payables	20,976	34,240
Provision for liabilities	2,273	2,273
Hire purchase obligations	1,039	709
Bank borrowings	31,515	29,635
Derivative financial instruments	0	2,635
Tax Payable	3,386	386
	68,068	80,143
Total Liabilities	92,592	107,554
TOTAL EQUITY AND LIABILITIES	462,472	457,534
Net assets per share attributable to ordinary equity holders of the parent (RM)	3.08	2.93

(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)

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.

← Attributable to equity holders of the company →
← Non-distributable → Distributable

	Share Capital	Share Premium	Treasury Shares	Reserve on consolidation	Asset revaluation reserves	Equity component from the replacement warrants	Retained Losses	Total	Non-Controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	RM'000
Period ended 30 September 2015										
Balance as at 01.01.2015	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						-	16,975	16,975	4,060	21,035
Reversal due disposal of asset						-		-		-
Acquisition of treasury shares			(668)					(668)		(668)
Dividend distributed to Non-Controlling Interest									(490)	(490)
Balance as at 30.09.2015	109,851	92,431	(668)	13,464	108,577	-	14,346	338,001	31,879	369,880
Period ended 30 September 2014										
Balance as at 01.01.2014	109,851	92,431	-	13,464	108,577	1,498	(9,865)	315,956	27,603	343,559
Prior years adjustments							(82)	(82)		(82)
Total comprehensive income for the period							3,809	3,809	1,310	5,119
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)
Balance as at 30.09.2014	109,851	92,431	-	13,464	108,577	1,498	(6,138)	319,683	28,570	348,253

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)

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015**

(The figures have not been audited)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT.

	Cumulative Period	
	Current Year to date 30/09/2015 <u>RM'000</u>	Preceding Period Ended 30/09/2014 <u>RM'000</u>
Cash Flows From Operating Activities		
Profit/(Loss) before taxation	26,977	8,375
Adjustments for :		
Depreciation, amortisation and impairment losses	5,254	6,492
Interest income	(162)	(193)
Interest expenses	1,671	1,876
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	(4)	(5)
Write down of inventories	260	150
Write back of stock value	-	-
Other non-cash items		
(Gain)/loss on disposal of property, plant & equipment	(251)	(107)
Asset written off	-	-
Operating profit before changes in working capital	33,745	16,588
Net change in current assets	(7,301)	(3,516)
Net change in current liabilities	(14,650)	(3,351)
Cash flow from operation	11,794	9,721
Taxes paid	(4,044)	2,197
Taxes refund	-	4
Net Cash Flows From Operating Activities	7,750	11,922
Cash Flows From Investing Activities:		
Purchase of PPE and investment property	(1,742)	(2,239)
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	283	107
Increase/(Decrease) in deposit with licensed bank & short term investments	4,068	(7,839)
Reclassified deposit with licensed bank to other investment		-
Dividend received	46	27
Net Cash Used in Investing Activities	2,655	(9,944)
Cash Flows From Financing Activities:		
Issue of ordinary shares	-	-
Acquisition of treasury shares	(668)	
Bank borrowings and other liabilities (Net)	(9,545)	(4,698)
Repayment of hire purchase obligations	(692)	(728)
Dividends paid to non-controlling interest in subsidiary company	(490)	(343)
Net Cash Flows From Financing Activities	(11,395)	(5,769)
Net Increase in Cash and Cash Equivalents	(990)	(3,791)
Cash and Cash Equivalents at the beginning of the year	41,847	39,376
Effects of changes in foreign exchange rates	1,660	626
Cash and Cash Equivalents at end of the period	42,517	36,211
Cash and cash equivalent comprise the following:-		
Bank and cash balances	16,315	16,444
Short-term investments and Deposit with license bank	26,202	19,767
	42,517	36,211

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

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015**

(The figures have not been audited)

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'

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015**

(The figures have not been audited)

- 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.

On 8 September 2015, MASB issued a statement confirming that the effective date of MFRS 15-Revenue from Contracts with Customers will be deferred to annual periods beginning on or after 1 January 2018, following the press release by the International Accounting Standards Board (IASB) confirming a one-year deferral of IFRS 15. As a result, the effective date for Transitioning Entities (TEs) to apply the Malaysian Financial Reporting Standards (MFRSs) will also be deferred to annual periods beginning on or after 1 January 2018.

The Group falls within the scope definition of Transitioning Entities (TEs) 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 2018. 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.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015**

(The figures have not been audited)

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 30 September 2015.

7. Dividends Paid

There were no dividends declared and paid by the Company for the financial period ended 30 September 2015.

8. Segment Information

The Group's segment information for the financial period ended 30 September 2015 is as follows:-

	Timber Extraction RM'000	Timber Trading RM'000	Manufacturing RM'000	Services & Treatment RM'000	Property Development RM'000	Others RM'000	Elimination RM'000	Total RM'000
2015								
Revenue								
<i>External Sales</i>	6,979	105,565	68,061	21,383	7,124	114		209,226
<i>Inter segmental sales</i>	-	3,746	4,981	7,157	-	-		15,884
Total Revenue	6,979	109,311	73,042	28,540	7,124	114		225,110
Segments Profits	5,875	7,545	5,687	6,088	1,807	56,705	(56,730)	26,977
Depreciation	(5)	(1,334)	(2,397)	(1,469)	(39)	(10)		(5,254)
Rental income of land and buildings	-	28	2,822	708	60	-		3,618
Net foreign exchange	-	1,762	(102)	-	-	-		1,660
Gain/(loss) on disposal of property, plant and equipment	-	95	73	(12)	90	5		251
Finance cost	-	(216)	(693)	(669)	(93)	-		(1,671)

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015**

(The figures have not been audited)

	Timber Extraction RM'000	Timber Trading RM'000	Manufacturing RM'000	Services & Treatment RM'000	Property Development RM'000	Others RM'000	Elimination RM'000	Total RM'000
2015								
Interest Income	-	6	105	1	27	23		162
Tax Expenses	-	(1,778)	(1,578)	(2,062)	(452)	(72)		(5,942)
Segments Assets	7,543	75,189	179,727	153,882	18,191	12,110		446,642
Other Investment			15,105			725		15,830
								462,472
Segment Liabilities	4,631	19,513	35,579	23,761	8,588	520		92,592

	Timber Extraction RM'000	Timber Trading RM'000	Manufacturing RM'000	Services & Treatment RM'000	Property Development RM'000	Others RM'000	Elimination RM'000	Total RM'000
2014								
Revenue								
<i>External Sales</i>	2,485	85,009	65,588	19,535	887	79		173,583
<i>Inter segmental sales</i>		6,349	5,693	5,419				17,461
Total Revenue	2,485	91,358	71,281	24,954	887	79	-	191,044
Segments Profits/(Loss)	2,358	(40)	2,422	3,609	(11)	11,497	(11,461)	8,374
Depreciation	(18)	(1,733)	(2,838)	(1,834)	(58)	(11)		(6,492)
Rental income of land and buildings		26	1,153	891	-			2,070
Net foreign exchange		33	593	-	-			626
Gain/(loss) on disposal of property, plant and equipment		100	1	7	-			108
Finance cost		(304)	(668)	(866)	(69)			(1,907)
Interest Income		44	128	1	6	13		192
Tax Expenses		(974)	(998)	(1,207)	-	(76)		(3,255)
Segments Assets	6,985	70,450	178,776	157,255	17,098	10,301		440,865
Other Investment			15,188			725		15,913
								456,778
Segment Liabilities	4,462	27,975	41,457	25,917	8,925	773		109,509

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 30 September 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 30 September 2015.



12. Contingent Liabilities – Unsecured

As at 30 September 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 RM29,565,426.00 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)

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015
(The figures have not been audited)

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)		Total Value Transaction For The Period		Approved Value		Balance of the approved amount		Balance due to / from the companies		
					01/07/2015 to 30/09/2015 (RM '000) Q3 2015	Receivable Payables	29/05/2015 to 30/09/2015 (RM '000)	Receivables Payables	29/05/2015 to 30/04/2016 (RM '000)	Receivable Payables	30/09/2015 (RM '000)	Receivable Payables			
D M Timber Sdn Bhd ("DM")	<ul style="list-style-type: none"> Minho Holdings Sdn Bhd ("Minho Holdings") is a major shareholder of Minho and holds 51% interest in DM. Dato' Loo Keng An, a director and major shareholder of Minho. Dato' Loo Keng An is also a director of DM and a major shareholder of Minho Holdings. Mr Eng Kin Hong the director of LTI, is also the director and major shareholder of DM and shareholder of Minho. 	Purchase of timber.	Lionvest Timber Industries Sdn Bhd	Monthly		1,468		2,096		15,000		12,904		327	
Minho Kilning (Klang) Sdn Bhd ("MKK")	<ul style="list-style-type: none"> Minho Holdings holds 100% interest in MKK. 	⁽ⁱ⁾ Rental & Storage Charges	Syarikat Minho Kilning Sdn Bhd ("SMK") ⁽ⁱⁱ⁾	Monthly		716		1,431		4,500		3,069		473	
Oak Three Sdn Bhd ("OT") (formerly known as QR Printing Sdn Bhd)	<ul style="list-style-type: none"> Minho Holdings holds 100% interest in OT. Mr Loo Say Leng is a director of OT, SMK and Minho. 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. Mr Ng Hoe Chang is a director of OT and Minho and a shareholder of Minho and Minho Holdings. 	Insurance brokerage fee.	Syarikat Minho Kilning Sdn Bhd ("SMK")	Yearly		2		17		800		783		156	
Mahawangsa Timber Industries Sdn Bhd ("MTI")	<ul style="list-style-type: none"> Mr Eng Kin Hong the director of LTI, is also the director and major shareholder of MTI and shareholder of Minho. 	Purchase of logs.	LTI	Monthly		452		759		5,000		4,241		-	
		Sales of sawn timber and its related products.	LTI	Monthly		880		1,245		800		(445)		126	
Pembinaan Infra E&J Sdn Bhd ("EJ")	<ul style="list-style-type: none"> Mr Yap Nam Fee is a major shareholder of EJ. Mr Yap Nam Fee is a director of EJ and MS EJ is also a major shareholder of MS. 	Construction cost for infrastructure & building works	MySquares Development Sdn Bhd ("MS")	Monthly		1,136		4,588		20,000		15,412		3,508	
Total						880	3,774	1,245	8,891	800	45,300	(445)	36,409	126	4,464

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015**

(The figures have not been audited)

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		
	Q3 2015	Q3 2014	%	30/09/2015	30/09/2014	%
	RM'000	RM'000		RM'000	RM'000	
Revenue						
Timber Extraction	-	-	0%	6,979	2,485	181%
Timber Trading	34,309	20,591	67%	105,565	85,009	24%
Manufacturing	22,650	26,670	-15%	68,061	65,588	4%
Services & Treatment	7,158	7,203	-1%	21,383	19,536	9%
Property Development	-	887	-100%	7,124	887	100%
Others	38	27	41%	114	79	44%
	<u>64,155</u>	<u>55,378</u>	<u>16%</u>	<u>209,226</u>	<u>173,584</u>	<u>21%</u>
Segment Profit						
Timber Extraction	(41)	(2)	-1950%	5,875	2,358	149%
Timber Trading	2,336	(128)	1925%	7,545	(40)	18963%
Manufacturing	1,873	745	151%	5,687	2,422	135%
Services & Treatment	2,617	1,624	61%	6,088	3,609	69%
Property Development	1,397	59	2268%	1,807	(11)	16527%
Others	2,432	11,138	-78%	56,705	11,497	393%
	<u>10,614</u>	<u>13,436</u>	<u>-21%</u>	<u>83,707</u>	<u>19,835</u>	<u>322%</u>
Elimination	(2,490)	(11,103)	-78%	(56,730)	(11,460)	395%
Profit before taxation	8,124	2,333	248%	26,977	8,375	222%
Taxation	(2,330)	(1,121)	108%	(5,942)	(3,256)	82%
Profit after taxation	5,794	1,212	378%	21,035	5,119	311%
Non-controlling interest	(1,428)	(418)	242%	(4,060)	(1,310)	210%
Net profit for the year	<u>4,366</u>	<u>794</u>	<u>450%</u>	<u>16,975</u>	<u>3,809</u>	<u>346%</u>

(a). Three months period-Q3 2015 against Q3 2014.

For Q3 2015, the Group registered a turnover of RM64.16 million compared to RM55.38 million for Q3 2014. This represents an increase of RM8.78 million or 16% over the previous corresponding period. This increase was mainly attributed to the RM13.72 million improvement in the Timber Trading market segment. This was partially offset by the total combined decline of RM4.95 million in the turnover for Timber Extraction, Manufacturing and Services & Treatment market segments.

In tandem with higher turnover, the group's pre-tax profit grew by 3.5 times, up from RM2.33 million to RM8.12 million. The Timber Trading, Manufacturing, Services & Treatment and Property Development segments registered a total combined increase of RM14.83 million in pre-tax profit. However, this was partially offset by the combined decline of RM8.75 million in the pre-tax profit for Timber Extraction and Others segments.

(b). Year to date.

The Group disclosed total revenue of RM209.23 million for the nine-month period of Q3 2015, RM35.65 million or 21% more than the RM173.58 million recorded in Q3 2014. The group's entire market segments have shown progress in their turnover attributed to better demand for the group's products and also due to higher revenue from the residential development project in Meru, Klang.

In sync with better turnover, the group's entire market segments documented improvement in their pre-tax profit. The Group posted a pre-tax profit of RM26.98 million for the current quarter against

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(The figures have not been audited)

the previous corresponding quarter figure of RM8.38 million. This represents a significant improvement of RM18.60 million or 222% more than the previous year.

Timber Extraction

A larger area of 1,520 acres was logged in Q3 2015 compared to 621 acres logged in Q3 2014. This segment posted a pre-tax profit of RM5.88 million compared to RM2.36 million for the previous corresponding period.

Timber Trading

The turnover for this segment increased by RM20.56 million due to higher demand for rough sawn timber from the Group's main market i.e. the E.U. improved. In line with the higher turnover, the pre-tax profit for this segment improved significantly from a pre-tax loss of RM40 thousand in the previous corresponding quarter to RM7.55 million for the current quarter. This was mainly due to the increase in selling price of rough sawn timber, lower operating cost as a result of reduction in freight cost and some unrealized foreign exchange gain accounted for in the current quarter.

Manufacturing

Total turnover for this segment improved by RM2.47 million owing to the RM4.03 million increase in the turnover for the manufacturing of timber and wood based products while the turnover for manufacturing of industrial paper bags dropped by RM1.56 thousand. This market segment registered a pre-tax profit of RM5.69 million, RM3.27 million or 135% higher than pre-tax profit of RM2.42 million recorded in the previous corresponding quarter. The pre-tax profit for manufacturing of timber and wood based products improved by RM3.13 million due to higher selling price and lower operating cost. Despite reduction in turnover, the pre-tax profit for manufacturing of industrial paper bags increased by RM136 thousand mainly attributed to lower cost of sales.

Services & Treatment

The volume of incoming timber for kiln drying improved and the increase in service charges rates resulted in an increase of RM1.85 million in turnover for this market segment. In tandem with increase in turnover combined with cessation of rebates given to customers, the pre-tax profit for this segment improved by RM2.48 million.

Property Development

This segment launched Taman Desa Bukit Nilam, a new residential development project in Q3 2014. The project is located in Meru, Klang with Gross Development Value (GDV) of RM19.53million and is 100% sold. For the current quarter, this segment recognized 36.45% GDV or RM7.12 million as turnover. It reported pre-tax profit of RM1.81 million, compared to a pre-tax loss of RM11 thousand previously.

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

	THREE MONTHS					
	<u>Q3 2015</u> <u>RM'000</u>	<u>Q2 2015</u> <u>RM'000</u>	<u>%</u>	<u>Q3 2015</u> <u>RM'000</u>	<u>Q2 2015</u> <u>RM'000</u>	<u>%</u>
	REVENUE	REVENUE		SEGMENT PROFITS		
Timber Extraction	-	(882)	-100%	(41)	(922)	96%
Timber Trading	34,309	36,477	-6%	2,336	2,665	-12%
Manufacturing	22,650	23,405	-3%	1,873	1,593	18%
Services & Treatment	7,158	6,158	16%	2,617	388	574%
Property Development	-	4,649	-100%	1,397	267	423%
Others	38	38	0%	2,432	7,490	-68%
	64,155	69,845	-8%	10,614	11,481	-8%
Elimination				(2,490)	(7,500)	-67%
Profit before taxation				8,124	3,981	104%
Taxation				(2,330)	(1,380)	69%
Profit after taxation				5,794	2,601	123%
Non-controlling interest				(1,428)	(977)	46%
Net profit for the year				4,366	1,624	169%

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The Group's turnover for the current quarter under review was RM64.16 million, which was RM5.69 million or 8% less than the RM69.85 million registered in the preceding quarter. Only Services & Treatment segment managed to record a growth of RM1.0 million. This improvement was; however, totally offset by the combined decline of RM6.69 million recorded by the Group's other market segments.

Despite a lower turnover, the Group's pre-tax profit improved by RM4.14 thousand or 104%, from a pre-tax profit of RM3.98 million for the preceding quarter to RM8.12 million for the current quarter under review. With the exception of Others market segment and the slight decrease in the pre-tax profit of Timber Trading (RM329 thousand); other market segments of the Group registered a total combined improvement of RM4.52 million in their pre-tax profit with the Services & Treatment segment being the major contributor with an increase of RM2.23 million. For Others market segment which includes the holding company, Minho (M) Berhad, the pre-tax profit recognized for the current quarter was RM5.06 million lower due to lower dividend income from subsidiary companies.

17. Prospects for Current Financial Year

The Group's performance for the fourth quarter of 2015 is expected to be slightly lower than the third quarter of year 2015. The Group anticipates that there will be no logging activities in the next quarter due to stringent conditions imposed by the authorities in the issuance of logging licenses. The Manufacturing and Trading segments also anticipates slightly weaker performance in the next quarter due to shipments being reduced or pushed forward to avoid arrivals in Europe during the end of year festive season. These will be partly negated by the increase in percentage billings for the property development project as the project progresses. The Group expects the results for the full year of 2015 to outperform the previous year.

18. Variance of Actual Profit from Forecast Profit

Not applicable.

19. Taxation

Taxation comprises:-

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
	RM'000	RM'000	RM'000	RM'000
Current taxation	2,046	1,141	5,658	3,280
(Over)/Under provision in respect of prior years	284	(20)	284	(24)
Foreign Taxation	-	-	-	-
Deferred Taxation	-	-	-	-
	2,330	1,121	5,942	3,256
Our share of results of associated companies	-	-	-	-
	2,330	1,121	5,942	3,256

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.

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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 30 September 2015.

22. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 20 November 2015.

23. Group Borrowings

Total Group borrowings as at 30 September 2015 were as follows:-

	<u>RM'000</u>
Long Term Borrowings	
Secured	10,473
Unsecured	0
	<u>10,473</u>
Short Term Borrowings	
Secured	31,515
Unsecured	0
	<u>31,515</u>
Total Borrowings	<u>41,988</u>

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 20 November 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 30 September 2015 (2014: Nil).

27. Profit/(Loss) From Operations

The following items have been charged/ (credited) in arriving at profit/ (loss) from operations:

	Individual Quarter		Cumulative Period	
	Current Year	Preceding Year	Current Year	Preceding
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
(a). Interest income	73	47	162	193
(b). Investment income	27	27	46	27

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	Individual Quarter		Cumulative Period	
	Current Year	Preceding Year	Current Year	Preceding
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
(c). Rental Income	1,257	768	3,618	2,070
(d). Interest expenses	(542)	(612)	(1,671)	(1,876)
(e). Depreciation & Amortisation	(8,804)	(11,048)	(5,254)	(6,492)
(f). Gain/(loss) on disposal of property, plant & equipment	97	-	251	107
(g). Property, plant & equipment written off	-	-	-	-
(h). Inventories write-down	(260)	-	(260)	(150)
(i). Provision for and write-off of receivables	-	-	-	-
(j). Provision for receivables write-back.	-	-	4	5
(k). Net foreign exchange gain/(loss)	88	104	1,660	626

28. Earning/ (Loss) Per Share

(a) Basic earnings/ (loss) per share

	Individual Quarter		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding	Current Year to date	Preceding Period Ended
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Net earnings/(loss) attributable to the ordinary equity holders of the Company	4,366	795	16,975	3,809
Weighted average number of ordinary shares ('000)	110,223	109,851	110,223	109,851
Basic earnings/(loss) per share (sen)	3.96	0.72	15.40	3.47

(b) Diluted earnings per share
Not applicable**29. Realised and Unrealised Profit/Loss Disclosures**

	As at 30/09/2015	As at 30/09/2014
	RM'000	RM'000
Total retained Profit /(Losses) of Minho (M) Berhad and its subsidiaries:		
- Realised	18,334	(2,147)
- Unrealised	(3,989)	(3,991)
	14,345	(6,138)
Add: Consolidated adjustments	0	0
Total group retained profit/(losses) as per consolidated accounts	14,345	(6,138)



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(The figures have not been audited)

30. Authorisation for issue

This interim financial information has been approved for issue in accordance with a resolution of the Board of Directors dated 27 November 2015.

By order of the Board

Klang, Selangor Darul Ehsan.

Dated: 27 November 2015.