

**FIAMMA HOLDINGS BERHAD**

Quarterly Report on consolidated results for the third quarter ended 30 June 2015

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(The figures have not been audited).

|  | INDIVIDUAL QUARTER (Q3) |                                      | CUMULATIVE QUARTER (9 MONTHS) |                                     |
|--|-------------------------|--------------------------------------|-------------------------------|-------------------------------------|
|  | CURRENT YEAR QUARTER    | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE          | PRECEDING YEAR CORRESPONDING PERIOD |
|  | 30 JUNE 2015<br>RM'000  | 30 JUNE 2014<br>RM'000               | 30 JUNE 2015<br>RM'000        | 30 JUNE 2014<br>RM'000              |
| Revenue  | 77,704                  | 92,633                               | 246,680                       | 252,122                             |
| Operating expenses   | (64,721)                | (72,739)                             | (205,369)                     | (201,084)                           |
| Other operating income                                     | 1,129                   | 768                                  | 3,420                         | 2,928                               |
| <b>Profit from operations</b>                              | <b>14,112</b>           | <b>20,662</b>                        | <b>44,731</b>                 | <b>53,966</b>                       |
| Finance costs  | (1,251)                 | (834)                                | (2,450)                       | (2,300)                             |
| Depreciation and amortisation                              | (854)                   | (782)                                | (2,431)                       | (2,344)                             |
| <b>Profit before taxation</b>                              | <b>12,007</b>           | <b>19,046</b>                        | <b>39,850</b>                 | <b>49,322</b>                       |
| Taxation   | (3,193)                 | (5,421)                              | (10,820)                      | (14,203)                            |
| <b>Profit for the period</b>                               | <b>8,814</b>            | <b>13,625</b>                        | <b>29,030</b>                 | <b>35,119</b>                       |
| <b>Other comprehensive income</b>                          |                         |                                      |                               |                                     |
| Foreign exchange translation difference                    | 442                     | (69)                                 | 939                           | (75)                                |
| <b>Total comprehensive income</b>                          | <b>9,256</b>            | <b>13,556</b>                        | <b>29,969</b>                 | <b>35,044</b>                       |
| Profit for the period attributable to:                     |                         |                                      |                               |                                     |
| Owners of the Company                                      | 7,904                   | 12,502                               | 25,776                        | 32,218                              |
| Non-controlling Interest                                   | 910                     | 1,102                                | 3,254                         | 2,901                               |
| <b>Profit for the period</b>                               | <b>8,814</b>            | <b>13,604</b>                        | <b>29,030</b>                 | <b>35,119</b>                       |
| Total comprehensive income for the period attributable to: |                         |                                      |                               |                                     |
| Owners of the Company                                      | 8,214                   | 12,454                               | 26,434                        | 32,165                              |
| Non-controlling Interest                                   | 1,042                   | 1,102                                | 3,535                         | 2,879                               |
| <b>Total comprehensive income</b>                          | <b>9,256</b>            | <b>13,556</b>                        | <b>29,969</b>                 | <b>35,044</b>                       |
| Basic earnings per share (sen) (Refer Note B11)            | 5.75                    | 9.14                                 | 18.79                         | 23.79                               |
| Diluted earnings per share (sen) (Refer Note B11)          | 5.15                    | 8.19                                 | 16.71                         | 21.35                               |

This Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2014.

**FIAMMA HOLDINGS BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2015**

(The figures have not been audited).

|   | AS AT<br>30 JUNE 2015 | AS AT<br>30 SEPT 2014 |
|---|-----------------------|-----------------------|
|   | RM'000                | RM'000                |
| <b>ASSETS</b>   |                       |                       |
| <b>Non-current assets</b>                                 |                       |                       |
| Property, plant and equipment                             | 76,299                | 35,627                |
| Investment properties                                     | 45,180                | 38,954                |
| Intangible assets   | 500                   | 500                   |
| Land held for property development                        | 67,974                | 16,837                |
| Deferred tax assets                                       | 828                   | 628                   |
|   | <u>190,781</u>        | <u>92,546</u>         |
| <b>Current assets</b>                                     |                       |                       |
| Property development costs                                | 151,448               | 121,473               |
| Inventories   | 61,805                | 53,236                |
| Trade and other receivables                               | 101,952               | 88,871                |
| Prepayments   | 1,018                 | 684                   |
| Tax recoverable   | 183                   | 61                    |
| Cash and cash equivalents                                 | 72,750                | 114,709               |
|   | <u>389,156</u>        | <u>379,034</u>        |
| <b>TOTAL ASSETS</b>                                       | <b><u>579,937</u></b> | <b><u>471,580</u></b> |
| <b>EQUITY</b>   |                       |                       |
| Share capital   | 144,725               | 144,085               |
| Treasury shares   | (5,775)               | (5,775)               |
| Reserves and retained earnings                            | 200,732               | 182,548               |
| <b>Total equity attributable to owners of the Company</b> | <u>339,682</u>        | <u>320,858</u>        |
| <b>Non-controlling interest</b>                           | 19,238                | 16,212                |
| <b>TOTAL EQUITY</b>                                       | <b><u>358,920</u></b> | <b><u>337,070</u></b> |
| <b>LIABILITIES</b>  |                       |                       |
| <b>Non-current liabilities</b>                            |                       |                       |
| Borrowings  | 59,262                | 3,586                 |
| Deferred tax liabilities                                  | 2,560                 | 2,888                 |
|   | <u>61,822</u>         | <u>6,474</u>          |
| <b>Current liabilities</b>                                |                       |                       |
| Trade and other payables                                  | 61,943                | 59,149                |
| Provision for warranties                                  | 435                   | 418                   |
| Borrowings  | 94,042                | 65,350                |
| Taxation  | 2,775                 | 3,119                 |
|   | <u>159,195</u>        | <u>128,036</u>        |
| <b>TOTAL LIABILITIES</b>                                  | <b><u>221,017</u></b> | <b><u>134,510</u></b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                       | <b><u>579,937</u></b> | <b><u>471,580</u></b> |
| <b>Net assets per share (RM)</b>                          | <b><u>2.47</u></b>    | <b><u>2.34</u></b>    |

This Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2014.

**FIAMMA HOLDINGS BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 9 MONTHS ENDED 30 JUNE 2015**

(The figures have not been audited).

|   | ATTRIBUTABLE TO OWNERS OF THE COMPANY |                        |                      |                        |                            |                            |                          | NON-         |                             | TOTAL EQUITY RM'000 |
|---|---------------------------------------|------------------------|----------------------|------------------------|----------------------------|----------------------------|--------------------------|--------------|-----------------------------|---------------------|
|   | SHARE CAPITAL RM'000                  | TREASURY SHARES RM'000 | SHARE PREMIUM RM'000 | CAPITAL RESERVE RM'000 | TRANSLATION RESERVE RM'000 | REVALUATION RESERVE RM'000 | RETAINED EARNINGS RM'000 | TOTAL RM'000 | CONTROLLING INTEREST RM'000 |                     |
| <b>At 1 October 2014</b>  | 144,085                               | (5,775)                | 46                   | 421                    | 368                        | 21,917                     | 159,796                  | 320,858      | 16,212                      | 337,070             |
| Total comprehensive income for the financial period                 | -                                     | -                      | -                    | -                      | 657                        | -                          | -                        | 657          | 282                         | 939                 |
| - foreign exchange translation reserve                              | -                                     | -                      | -                    | -                      | -                          | -                          | 25,776                   | 25,776       | 3,254                       | 29,030              |
| - profit for the financial period                                   | -                                     | -                      | -                    | -                      | 657                        | -                          | 25,776                   | 26,433       | 3,536                       | 29,969              |
| <b>Total comprehensive income for the financial period</b>          |                                       |                        |                      |                        |                            |                            |                          |              |                             |                     |
| <i>Contribution by and (distributions to) owners of the Company</i> | 640                                   | -                      | -                    | -                      | -                          | -                          | -                        | 640          | -                           | 640                 |
| - Exercise of warrants  |                                       |                        |                      |                        |                            |                            |                          |              |                             |                     |
| <b>Total transactions with owners of the Company</b>                | 640                                   | -                      | -                    | -                      | -                          | -                          | -                        | 640          | -                           | 640                 |
| Dividends paid  | -                                     | -                      | -                    | -                      | -                          | -                          | (8,249)                  | (8,249)      | (510)                       | (8,759)             |
| <b>At 30 June 2015</b>  | 144,725                               | (5,775)                | 46                   | 421                    | 1,025                      | 21,917                     | 177,323                  | 339,682      | 19,238                      | 358,920             |

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2014.

**FIAMMA HOLDINGS BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**  
**FOR THE 9 MONTHS ENDED 30 JUNE 2014**

(The figures have not been audited).

|   | ATTRIBUTABLE TO OWNERS OF THE COMPANY |                        |                      |                        |                            |                            |                          | NON-         |                             | TOTAL EQUITY RM'000 |
|---|---------------------------------------|------------------------|----------------------|------------------------|----------------------------|----------------------------|--------------------------|--------------|-----------------------------|---------------------|
|   | SHARE CAPITAL RM'000                  | TREASURY SHARES RM'000 | SHARE PREMIUM RM'000 | CAPITAL RESERVE RM'000 | TRANSLATION RESERVE RM'000 | REVALUATION RESERVE RM'000 | RETAINED EARNINGS RM'000 | TOTAL RM'000 | CONTROLLING INTEREST RM'000 |                     |
| <b>At 1 October 2013</b>  | 141,572                               | (5,775)                | 46                   | 421                    | 431                        | 21,917                     | 129,348                  | 287,960      | 13,901                      | 301,861             |
| Total comprehensive income for the financial period                 | -                                     | -                      | -                    | -                      | (53)                       | -                          | -                        | (53)         | (22)                        | (75)                |
| - foreign exchange translation reserve                              | -                                     | -                      | -                    | -                      | -                          | -                          | 32,218                   | 32,218       | 2,901                       | 35,119              |
| - profit for the financial period                                   | -                                     | -                      | -                    | -                      | (53)                       | -                          | 32,218                   | 32,165       | 2,879                       | 35,044              |
| <b>Total comprehensive income for the financial period</b>          | -                                     | -                      | -                    | -                      | (53)                       | -                          | 32,218                   | 32,165       | 2,879                       | 35,044              |
| <i>Contribution by and (distributions to) owners of the Company</i> | 2,513                                 | -                      | -                    | -                      | -                          | -                          | -                        | 2,513        | -                           | 2,513               |
| - Exercise of warrants  | -                                     | -                      | -                    | -                      | -                          | -                          | -                        | -            | -                           | -                   |
| <b>Total transactions with owners of the Company</b>                | 2,513                                 | -                      | -                    | -                      | -                          | -                          | -                        | 2,513        | -                           | 2,513               |
| Realisation of revaluation reserve                                  | -                                     | -                      | -                    | -                      | -                          | (326)                      | 326                      | -            | -                           | -                   |
| Dividends paid  | -                                     | -                      | -                    | -                      | -                          | -                          | (10,948)                 | (10,948)     | (1,189)                     | (12,137)            |
| <b>At 30 June 2014</b>  | 144,085                               | (5,775)                | 46                   | 421                    | 378                        | 21,591                     | 150,944                  | 311,690      | 15,591                      | 327,281             |

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2014.

**FIAMMA HOLDINGS BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE 9 MONTHS ENDED 30 JUNE 2015**

(The figures have not been audited).

|  | 9 MONTHS ENDED<br>30 JUNE 2015<br>RM'000 | 9 MONTHS ENDED<br>30 JUNE 2014<br>RM'000 |
|--|--|--|
| <b>Cash flows from operating activities</b>                    |  |  |
| Profit before taxation   | 39,850                                   | 49,322                                   |
| Adjustments  | 1,611                                    | 4,008                                    |
| Operating profit before changes in working capital             | 41,461                                   | 53,330                                   |
| Changes in working capital:                                    |  |  |
| Inventories  | (8,569)                                  | 9,489                                    |
| Prepayments  | (334)                                    | (24)                                     |
| Property development costs                                     | (29,975)                                 | (2,131)                                  |
| Trade and other receivables                                    | (13,081)                                 | (17,807)                                 |
| Trade and other payables                                       | 2,983                                    | 19,914                                   |
| Cash and bank balance held under Housing Development Account   | (3,927)                                  | 474                                      |
| <b>Cash (used in)/generated from operations</b>                | (11,442)                                 | 63,245                                   |
| Interest paid  | (2,115)                                  | (2,025)                                  |
| Tax paid net of refund   | (11,825)                                 | (10,269)                                 |
| <b>Net cash (used in)/ generated from operating activities</b> | (25,382)                                 | 50,951                                   |
| <b>Cash flows from investing activities</b>                    |  |  |
| Acquisition of property, plant and equipment                   | (42,376)                                 | (1,894)                                  |
| Acquisition of land held for property development              | (51,137)                                 | -  |
| Interest received  | 2,929                                    | 1,662                                    |
| Construction of investment properties                          | (6,226)                                  | (12,451)                                 |
| Proceeds from disposal of property, plant and equipment        | 3  | 202                                      |
| <b>Net cash used in investing activities</b>                   | (96,807)                                 | (12,481)                                 |
| <b>Cash flows from financing activities</b>                    |  |  |
| Dividends paid to non-controlling interest                     | (510)                                    | (1,189)                                  |
| Dividends paid   | (8,249)                                  | (10,948)                                 |
| Drawdown/(repayment) of borrowings - net                       | 73,919                                   | (15,688)                                 |
| Proceeds from exercise of warrants                             | 640                                      | 2,513                                    |
| <b>Net cash generated from/(used in) financing activities</b>  | 65,800                                   | (25,312)                                 |
| <b>Net (decrease)/increase in cash and cash equivalents</b>    | (56,389)                                 | 13,158                                   |
| <b>Cash and cash equivalents at beginning of period</b>        | 104,109                                  | 84,603                                   |
| <b>Effect of exchange rate fluctuation on cash held</b>        | 54                                       | 2  |
| <b>Cash and cash equivalents at end of period</b>              | 47,774                                   | 97,763                                   |
| <b>Cash and cash equivalents</b>                               |  |  |
| Cash and bank balance and deposits placed with licensed banks  | 72,750                                   | 103,796                                  |
| Bank overdraft   | (19,852)                                 | (5,627)                                  |
| Cash and bank balances held under Housing Development Account  | (5,124)                                  | (406)                                    |
|  | 47,774                                   | 97,763                                   |

This Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2014.