

**GPA Holdings Berhad**

Unaudited Interim Report for the Twelve Months Ended 31 March 2015

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

*(The current year figures have not been audited)*

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	3 months ended		12 months ended	
	31-03-15	31-03-14	31-03-15	31-03-14
	RM'000	RM'000	RM'000	RM'000
Sales	35,987	31,050	143,701	150,898
Cost of Sales	(35,669)	(33,694)	(144,073)	(144,776)
Gross (Loss)/ Profit	318	(2,644)	(372)	6,122
Other income				
- Non-operating income	2,192	930	8,462	5,256
- Interest income	-	-	1	2
	2,510	(1,714)	8,091	11,380
Operating Expenses	(2,876)	(3,674)	(11,524)	(18,298)
Loss from operations	(366)	(5,388)	(3,433)	(6,918)
Finance cost	(543)	(169)	(1,473)	(785)
Loss before tax	(909)	(5,557)	(4,906)	(7,703)
Tax	390	73	270	(247)
Loss after tax	(519)	(5,484)	(4,636)	(7,950)
Total comprehensive loss for the period	(519)	(5,484)	(4,636)	(7,950)
Total comprehensive loss attributable to:				
-Owners of the Company	(1,051)	(5,149)	(5,775)	(7,925)
-Non-controlling interests	532	(335)	1,139	(25)
Net comprehensive loss for the period	(519)	(5,484)	(4,636)	(7,950)
Loss per share - basic (Sen)	(0.13)	(0.66)	(0.74)	(1.01)

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the financial statements for the financial year ended 31 March 2014

**GPA Holdings Berhad**

Unaudited Interim Report as at 31 March 2015

**Condensed Consolidated Statement of Financial Position***(The current year figures have not been audited)*

	As at 31-03-15 RM'000	As at 31-03-14 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	31,923	33,188
Investment properties	4,863	4,912
Deferred Tax Assets	-	-
	<u>36,786</u>	<u>38,100</u>
<b>Current assets</b>		
Inventories	50,927	50,851
Receivables, deposits and prepayments	50,697	47,441
Tax Recoverable	1,081	963
Cash and bank balances	5,107	6,653
	<u>107,812</u>	<u>105,908</u>
<b>TOTAL ASSETS</b>	<u>144,598</u>	<u>144,008</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	78,439	78,439
Reserves	9,596	15,371
<b>Shareholders' equity</b>	<u>88,035</u>	<u>93,810</u>
Non-controlling interests	5,300	4,161
<b>Total Equity</b>	<u>93,335</u>	<u>97,971</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	44	99
Bank borrowings	680	1,527
	<u>724</u>	<u>1,626</u>
<b>Current liabilities</b>		
Trade Payables	12,594	13,077
Other payables	13,308	14,323
Loan from shareholder	11,000	-
Tax liabilities	52	-
Bank borrowings	13,585	17,011
	<u>50,539</u>	<u>44,411</u>
<b>Total Liabilities</b>	<u>51,263</u>	<u>46,037</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>144,598</u>	<u>144,008</u>
<b>Net Assets per Share (RM)</b>	<u>0.11</u>	<u>0.12</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the financial statements for the financial year ended 31 March 2014

**GPA Holdings Berhad**

Unaudited Interim Report for the Nine Months Ended 31 March 2015

**Condensed Consolidated Statement of Changes in Equity**

*(The current year figures have not been audited)*

Note	Attributable to equity holders of the Parent							Total Equity RM '000
	Share Capital RM '000	Non-distributable			Distributable		Total Equity Funds RM '000	
		Share Premium RM '000	Available for sales reserves RM '000	Revaluation reserves RM '000	Retained Earnings RM '000	Non-controlling interests RM '000		
<b>Balance as at 1 April 2013</b>	78,439	6,803	-	549	15,948	101,739	4,182	105,921
Total comprehensive expense for the period	-	-	-	-	(7,925)	(7,925)	(25)	(7,950)
-Loss on accretion of interest in subsidiary	-	-	-	-	(4)	(4)	4	-
<b>Balance as at 31 March 2014</b>	78,439	6,803	-	549	8,019	93,810	4,161	97,971
<b>Balance as at 1 April 2014</b>	78,439	6,803	-	549	8,019	93,810	4,161	97,971
Total comprehensive (expense)/ income for the period	-	-	-	-	(5,775)	(5,775)	1,139	(4,636)
<b>Balance as at 31 March 2015</b>	78,439	6,803	-	549	2,244	88,035	5,300	93,335

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the financial statements for the financial year ended 31 March 2014

**GPA Holdings Berhad**

Unaudited Interim Report for the Twelve Months Ended 31 March 2015

**Condensed Consolidated Statement of Cash flows***(The current year figures have not been audited)*

	<b>12 months ended 31-03-15 RM'000</b>	<b>12 months ended 31-03-14 RM'000</b>
<b>Cash flows from/(for) operating activities</b>		
Cash receipts from customers	153,851	153,031
Cash paid to suppliers and employees	(148,959)	(158,680)
Interest received	1	2
Tax refund	1,026	893
Tax paid	(876)	(946)
<b>Net cash from/(used in) operating activities</b>	<b>5,043</b>	<b>(5,700)</b>
<b>Cash flows (for)/ from investing activities</b>		
Purchase of property, plant and equipment	(844)	(4,963)
Proceeds from disposal of property, plant and equipment	-	175
<b>Net cash used in investing activities</b>	<b>(844)</b>	<b>(4,788)</b>
<b>Cash flows (for)/from financing activities</b>		
Net (Repayment to)/ proceed from borrowings	(3,906)	3,741
Interest paid	(1,473)	(785)
Net repayments of hire purchase payables	(460)	(591)
<b>Net cash used in financing activities</b>	<b>(5,839)</b>	<b>2,365</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,640)</b>	<b>(8,123)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>3,970</b>	<b>12,093</b>
<b>Cash and cash equivalents at end of the period</b>	<b>2,330</b>	<b>3,970</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the financial statements for the financial year ended 31 March 2014

# **GPA HOLDINGS BERHAD**

## **Notes to the Financial Information – Fourth Quarter ended 31 March 2015**

*(The current year figures have not been audited)*

### ***A. Explanatory Notes Pursuant to MFRS 134***

#### ***1) Basis of Preparation***

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRSs") 134: Interim Financial Reporting in Malaysia and Appendix 9B of the ACE Market Listing Requirements of Bursa Securities ("Listing Requirements").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2014. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2014.

#### ***2) Changes in Accounting Policies***

The Group's financial statements was prepared in accordance with MFRSs, which is in line with International Financial Reporting Standards as issued by the International Accounting Standards Board. The adoptions of new and revised MFRSs, Amendments/Improvements to MFRSs, IC Interpretations and Amendments to IC Interpretations in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2014.

- a) During the current financial period, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):-

##### **MRFSSs and IC Interpretations (including the Consequential Amendments)**

MFRS 10 Consolidated Financial Statements

MFRS 11 Joint Arrangements

MFRS 12 Disclosure of Interests in Other Entities

MFRS 13 Fair Value Measurement

MFRS 119 (2011) Employee Benefits

MFRS 127 (2011) Separate Financial Statements

MFRS 128 (2011) Investments in Associates and Joint Ventures

Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance

Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Annual Improvements to MFRSs 2009 – 2011 Cycle

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's interim financial statements.

## 2) Changes in Accounting Policies (Cont'd)

- b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial period:-

<b>MFRSs and IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 9 (2009) Financial Instruments	)
MFRS 9 (2010) Financial Instruments	) To be
MFRS 9 Financial Instruments (Hedge Accounting and Amendments to MFRS 7, MFRS 9 and MFRS 139)	) announced ) by MASB
Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures	) )
MFRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 127 (2011): Investment Entities	1 January 2014
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions	1 July 2014
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Annual Improvements to MFRSs 2010 – 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 – 2013 Cycle	1 July 2014

## 3) Auditors' Report

The auditors' report on the financial statements for the financial year ended 31<sup>st</sup> March 2014 was not subject to any qualification.

## 4) Seasonal and Cyclical Factors

Export Sales - High season for battery sales occur during the winter months and low season during the summer months.

Local Sales - Low season for battery sales occur during the major festive months.

## 5) Individually Significant Items

The Group had started a new business venture in August 2014 which involved the trading of used motor vehicles through the Company's wholly-owned subsidiary, Hasrat Mestika Sdn Bhd ("HMSB"). The new business venture was expected to provide a new income stream for the Group, which will complement the existing manufacturing income stream.

## 6) Material Changes in Estimates

There were no material changes in estimates for the current quarter and financial year-to-date.

## 7) Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year-to-date.

## 8) Dividends Paid

No dividend was paid during the current quarter ended 31<sup>st</sup> March 2015.

## 9) Segmental Reporting

The Group is organized into three main business segments as follows:

	Automotive Batteries RM'000	Non- Automotive Batteries RM'000	Used Motor Vehicle RM'000	Eliminations RM'000	Group RM'000
<b>Financial year-to-date ended 31 March 2015</b>					
<b>Revenue</b>					
External revenue	<u>66,693</u>	<u>71,020</u>	<u>3,988</u>	<u>-</u>	<u>143,701</u>
<b>Results</b>					
Segment results	(7,488)	4,041	204	-	(3,243)
Unallocated expenses					(190)
Finance cost					(1,473)
Tax expense					270
Profit for the period					<u>(4,636)</u>
<b>Net assets</b>					
Segment assets	116,782	42,263	1,820	(74,267)	86,598
Unallocated assets					58,000
Total assets					<u>144,598</u>
<b>Segment liabilities</b>					
Segment liabilities	21,860	100,970	1,632	(74,267)	50,195
Unallocated liabilities					1,068
Total liabilities					<u>51,263</u>
<b>Other information</b>					
Capital expenditure	827	17	-	-	844
Depreciation	<u>1,873</u>	<u>286</u>	<u>-</u>	<u>-</u>	<u>2,159</u>

**10) Carrying Amount of Revalued Assets**

**Property**

A valuation of the Group's land and buildings by independent qualified valuers using the Comparison Method had been performed on the 31<sup>st</sup> March 2011. As no impairment was reflected in the valuation of the properties, the Group had decided not to revalue the properties in the financial year ended 31<sup>st</sup> March 2015.

**11) Material Events Subsequent to the End of the Interim Period**

There were no material events subsequent to the end of the interim period as at the date of this announcement.

**12) Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter and the financial year-to-date.

**13) Contingent Liabilities**

During the year, a subsidiary company of the Group received a Notice from The Royal Custom of Malaysia for import duty amounting to RM3.9mil on the import of automotive batteries. The Group is in the process of disputing the claim with the relevant authorities.

**14) Capital Commitments**

Capital commitments are as follows:

	<b>31/03/2015</b>
	<b>RM'000</b>
<i>Machineries</i>	
Approved and contracted for:	1,104
Approved but not contracted for:	-
Total	<u>1,104</u>

# **GPA HOLDINGS BERHAD**

**Notes to the Financial Information – Fourth Quarter ended 31 March 2015**

*(The current year figures have not been audited)*

## ***B. Selected Explanatory Notes to the Interim Financial Report (Part A of Appendix 9B of Bursa Malaysia Listing Requirements)***

### ***1) Operating Segment Review***

#### **Automotive batteries segment**

Revenue from the automotive batteries segment increased from RM16.02 million in previous corresponding quarter to RM18.76 million in current quarter. However, for the 12 months cumulative period ended 31 March 2015, revenue fell 20.49% year on year to RM68.69 million primarily due to decrease of sales volume in the domestic market. Competition from imported batteries in local market as well as the availability of relatively cheaper products from China and Thailand will continue to affect the revenue of this segment.

This segment recorded a loss before tax (“LBT”) of RM2.53 million in the current quarter compared to LBT of RM4.32 million in the previous year corresponding quarter. Cumulative 12 months period recorded a LBT of RM8.91 million closing adversely against last year’s 12 month corresponding period by RM1.49 million as a result of lower volume and declining margin.

#### **Non-Automotive Batteries segment**

Revenue for this segment grew by 14.70% from RM15.02 million in the previous corresponding quarter to RM17.23 million in the current quarter. Cumulative 12 months period revenue grew by 10.11%. This was mainly due to increase in export sales.

In line with the strengthening of the USD, this segment which has a higher export sales mix posted a higher Profit before tax (“PBT”) of RM3.98 million for the current 12 months cumulative period compared to Loss before Tax (“LBT”) of RM5k in the previous year 12 month period primarily due to exchange gain.

#### **Used Motor Vehicles segment**

This new segment recorded revenue of RM3.99 million with profit before tax of RM0.20 million for the year ended 31 March 2015.

### ***2) Material Changes in Profit/(Loss) Before Tax for Current Quarter as Compared with the Immediate Preceding Quarter***

The current quarter’s loss before tax of RM0.91 million, closed adversely to loss before tax of RM0.73 million in the immediate preceding quarter. This was due to relatively higher gain in foreign exchange currency recognised in immediate preceding quarter.

3) **Current Year Prospects**

Automotive battery business division is expected to remain challenging with competition expected to be stiff with the emergence of many new importers in the industry. The Group intends to gradually scale down the production of automotive batteries and expand our business in the distribution and trading of imported maintenance-free batteries

The Group will continue to drive the Non-Automotive segment which is expected to see an increase in sales volume from the exports market. Barring any adverse movement in lead price and/or foreign exchange rate, this division will see improvement in the coming quarter.

The used car segment is expected to generate higher revenue in the coming quarter as more cars are expected to be sold by a wider network of dealers.

4) **Variance of Actual Profit from Forecast**

Not applicable.

5) **Statement on Revenue or Profit Estimate, Forecast, Projection or Internal Targets Previously Announced or Disclosed in a Public Document**

Not Applicable.

6) **Tax**

	<i>3 months ended 31/03/2015 RM'000</i>	<i>12 months ended 31/03/2014 RM'000</i>
In respect of current period:		
- income tax	247	315
- deferred tax	(93)	(3)
- (Over)/ Under provision of previous year	(544)	(582)
	<u>(390)</u>	<u>(270)</u>

The effective tax rate on the Group's loss before tax for the financial year-to-date ended 31<sup>st</sup> March 2015 is lower than the statutory tax rate of 25.0% due to the loss suffered by certain subsidiaries.

## 7) Corporate Proposals

On the 27 January 2015, the Company proposed to undertake the following:

- (a) Proposed renounceable rights issue of up to 196,097,520 new ordinary shares of RM0.10 each in the Company ("Rights Shares") together with up to 490,243,800 new free detachable warrants ("Warrants") at an issue price of RM0.10 per Rights Share on the basis of one (1) Rights Share for every four (4) existing ordinary shares of RM0.10 each held in the Company ("GPA Shares" or "Shares") together with five (5) Warrants for every two (2) Rights Shares subscribed ("Rights Issue with Warrants");
- (b) Proposed increase in the authorised share capital of the Company from RM100,000,000 comprising 1,000,000,000 GPA Shares to RM300,000,000 comprising 3,000,000,000 GPA Shares; and
- (c) Proposed amendments to the Memorandum of Association of the Company.

(collectively known as "the Proposals")

The Proposals were approved by the shareholders of the Company at the Extraordinary General Meeting of the Company held on 21 April 2015.

On 14 May 2015, the Abridged Prospectus of the Company together with the rights subscription form and the notice of provisional allotment in relation to the Rights Issue with Warrants were dispatched to the entitled shareholders of the Company whose names appeared in the Record of Depositors of the Company as at 12 May 2015. The closing date for subscription/acceptance of the Rights Issue with Warrants was on 27 May 2015 and the level of subscription of rights shares will be announced in early June 2015.

The Rights Issue with Warrants exercise will be completed by the middle of June 2015.

## 8) Bank Borrowings

Details of the Group's bank borrowings as at 31<sup>st</sup> March 2015 are as follows:

	<i>RM'000</i>
Repayable within 12 months	
Term loan	340
Banker acceptance	5,390
Revolving credits	4,629
Bank overdraft	2,777
Hire purchase	449
	<u>13,585</u>
Repayable after 12 months	
Term loan	-
Hire purchase	680
	<u>680</u>

## 9) Material Litigation

- (i) GP Marketing Sdn Bhd ("GP Marketing") had on 18 March 2014, via its solicitors served on Super HH Power Sdn Bhd ("Super HH") and Chan Khong Fook and Mr Lee Tian Wah @ Lim Siew Wah ("Mr Lee") (both acting as guarantors) (collectively referred to as the "Defendants") a Writ of Summons and Statement of Claim filed vide Shah Alam High Court Civil Suit No. 22 NCVC-135-03/2014. GP Marketing is claiming against the Defendants for the payment of an aggregate outstanding sum of RM1,671,951.64 being the amount due and owing by the Defendants to GP Marketing in respect of automotive batteries supplied to Super HH. Lee Tian Wah @ Lim Siew Wah has since passed away and GP Marketing has withdrawn the legal suit against the deceased. On 23 February 2015, GP Marketing has obtained a summary judgement against Super HH and Mr Lee as the guarantor. GP Marketing and Mr Lee are currently in the process of entering into a settlement agreement for the settlement or partial settlement of the amount claimed.
- (ii) Pursuant to a compulsory acquisition by the Pentadbir Tanah Daerah Klang of a part of a land held under Lot PT 7836, H.S.(D) 17768, Mukim Kapar, District of Klang, Selangor ("Land"), GP Autobat Sdn Bhd ("GP Autobat") has accepted with protest from the Pentadbir Tanah Daerah Klang the compensation award amounting to RM216,000.00 for the aforesaid land acquisition. GP Autobat has opted to object the compensation amount and have the matter on compensation sum to be referred to the Court. GP Autobat via its solicitors is claiming against the Pentadbir Tanah Daerah Klang vide High Court of Shah Alam Originating Summons No. 24-516-05/2014 for an additional sum of RM600,000.00 being compensation to GP Autobat for injury caused to the land as a result of the compulsory acquisition. GP Autobat has subsequently filed the Form N with the Pentadbir Tanah Daerah Klang to protest against the compensation awarded and the matter is now pending to be heard in Shah Alam High Court.

## 10) Dividends

No interim or final dividend has been declared or recommended to be paid during the quarter under review.

**11) Earnings per Share**

		<i>3 months ended</i>		<i>12 months ended</i>	
		<i>31/3/2015</i>	<i>31/3/2014</i>	<i>31/3/2015</i>	<i>31/3/2014</i>
<b>Basic earnings per share</b>					
Net loss attributable to ordinary equity holders of the parent company	(RM'000)	(1,051)	(5,149)	(5,775)	(7,925)
Total number of ordinary shares in issue	('000)	784,390	784,390	784,390	784,390
Basic loss per share	(sen)	(0.13)	(0.66)	(0.74)	(1.01)

The basic earnings per share of the Group is calculated by dividing the loss attributable to ordinary equity holders of the Company against the total number of ordinary shares issue during the period.

**12) Profit/(loss) Before Taxation**

Profit/ (loss) before taxation is arrived at after charging / (crediting):-

	<b>Current Quarter YTD (RM'000)</b>	<b>YTD (RM'000)</b>
Interest income	-	(1)
Other income including investment income	(530)	(3,458)
Interest expense	543	1,473
Depreciation and amortization	530	2,159
Provision/ (reversal) of impairment on receivables	122	201
Foreign exchange gain	(1,842)	(4,977)

**13) Realised and Unrealised Profits/(Losses) Disclosure**

The retained profits as at 31<sup>st</sup> March 2015 and 31<sup>st</sup> March 2014 are analysed as follows:-

	<i>31/3/15</i>	<i>31/3/14</i>
	<i>RM'000</i>	<i>RM'000</i>
Total retained earnings of the company and its subsidiaries:-		
- Realised	20,705	28,311
- Unrealised	526	(2,445)
Less: Consolidation adjustments	(18,987)	(17,847)
Total group retained earnings as per consolidated statements	<u>2,244</u>	<u>8,019</u>