

PRG HOLDINGS BERHAD
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)
(Company No: 541706-V)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER 2015

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2015 - UNAUDITED

	Notes	Quarter ended 30 June		Cumulative period ended 30 June	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Revenue	A10	32,450	20,544	59,271	39,589
Cost of sales		(25,293)	(16,159)	(46,799)	(31,768)
Gross profit		<u>7,157</u>	<u>4,385</u>	<u>12,472</u>	<u>7,821</u>
Other income		598	408	1,323	660
Administrative expenses		(5,072)	(4,467)	(9,673)	(7,687)
Selling and marketing expenses		(762)	(567)	(1,992)	(1,132)
Other expenses		(58)	(322)	(575)	(441)
Finance costs		(261)	(149)	(470)	(259)
Interest income		31	32	72	49
Share of profit of a joint venture (net of tax)		42	35	38	76
Profit/(loss) before tax	A10	<u>1,675</u>	<u>(645)</u>	<u>1,195</u>	<u>(913)</u>
Tax expense	B5	(536)	(183)	(798)	(382)
Profit/(loss) for the period	A10	<u>1,139</u>	<u>(828)</u>	<u>397</u>	<u>(1,295)</u>
Other comprehensive income					
Foreign currency translations		694	(565)	1,090	(789)
Total comprehensive income for the period		<u>1,833</u>	<u>(1,393)</u>	<u>1,487</u>	<u>(2,084)</u>
Profit/(loss) attributable to:					
Owners of the parent		1,517	(769)	1,156	(1,220)
Non-controlling interest		(378)	(59)	(759)	(75)
		<u>1,139</u>	<u>(828)</u>	<u>397</u>	<u>(1,295)</u>
Total comprehensive income/(loss) attributable to:					
Owners of the parent		2,203	(1,334)	2,232	(2,009)
Non-controlling interest		(370)	(59)	(745)	(75)
		<u>1,833</u>	<u>(1,393)</u>	<u>1,487</u>	<u>(2,084)</u>
Profit/(loss) per ordinary share attributable to owners of the parent (sen):	B11				
Basic		1.05	(0.79)	0.80	(1.26)
Diluted		NA	NA	NA	NA

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

PRG HOLDINGS BERHAD
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)
(Company No: 541706-V)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER 2015

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015 - UNAUDITED

	Notes	As at 30 June 2015 RM'000	As at 31 December 2014 RM'000
Non-current assets			
Property, plant and equipment		47,752	45,927
Investment in a joint venture		1,092	1,012
Deferred tax assets		37	36
Intangible assets		1,559	1,349
Total non-current assets		<u>50,440</u>	<u>48,324</u>
Current assets			
Inventories		21,169	21,938
Property development costs		131,392	128,468
Trade and other receivables		22,942	22,094
Current tax assets		820	719
Cash and bank balances		22,514	16,083
Total current assets		<u>198,837</u>	<u>189,302</u>
Total assets		<u><u>249,277</u></u>	<u><u>237,626</u></u>
Equity			
Share capital		72,531	72,531
Share premium		68	68
Warrant reserve		4,346	4,346
Treasury shares		(87)	(87)
Exchange translation differences		(4,055)	(5,131)
Retained earnings	B13	<u>37,727</u>	<u>36,571</u>
Total attributable to owners of the parent		110,530	108,298
Non-controlling interests		<u>(1,100)</u>	<u>(355)</u>
Total equity		<u>109,430</u>	<u>107,943</u>
Non-current liabilities			
Borrowings	B7	62,082	55,615
Trade and other payables		15,889	15,889
Deferred tax liabilities		1,030	1,031
Total non-current liabilities		<u>79,001</u>	<u>72,535</u>
Current liabilities			
Trade and other payables		47,689	46,534
Borrowings	B7	12,406	10,177
Current tax liabilities		751	437
Total current liabilities		<u>60,846</u>	<u>57,148</u>
Total liabilities		<u>139,847</u>	<u>129,683</u>
Total equity and liabilities		<u><u>249,277</u></u>	<u><u>237,626</u></u>
Net assets per share attributable to owners of the parent (RM)	B12	<u>0.7630</u>	<u>0.7476</u>

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

PRG HOLDINGS BERHAD
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)
(Company No: 541706-V)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER 2015

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2015 - UNAUDITED

Notes	<----- Attributable to owners of the parent ----->							Non-controlling interest RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	translation differences RM'000	Warrants reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000		
Balance at 1 January 2014	45,371	368	(6,459)	-	(87)	37,986	77,179	414	77,593
Increase of share capital in a subsidiary	-	-	-	-	-	-	-	100	100
Loss for the period	-	-	-	-	-	(1,220)	(1,220)	(75)	(1,295)
Foreign currency translations	-	-	(777)	-	-	-	(777)	(12)	(789)
Balance at 30 June 2014	<u>45,371</u>	<u>368</u>	<u>(7,236)</u>	<u>-</u>	<u>(87)</u>	<u>36,766</u>	<u>75,182</u>	<u>427</u>	<u>75,609</u>
Balance at 1 January 2015	72,531	68	(5,131)	4,346	(87)	36,571	108,298	(355)	107,943
Profit/(loss) for the period	-	-	-	-	-	1,156	1,156	(759)	397
Foreign currency translations	-	-	1,076	-	-	-	1,076	14	1,090
Balance at 30 June 2015	<u>72,531</u>	<u>68</u>	<u>(4,055)</u>	<u>4,346</u>	<u>(87)</u>	<u>37,727</u>	<u>110,530</u>	<u>(1,100)</u>	<u>109,430</u>

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

PRG HOLDINGS BERHAD
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)
(Company No: 541706-V)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER 2015
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2015 - UNAUDITED

	Year-to-date ended 30 June	
	2015 RM'000	2014 RM'000
Cash flows from operating activities		
Profit/(loss) before tax	1,195	(913)
Adjustments for:		
Depreciation of property, plant and equipment	2,168	1,636
Inventories written down	348	316
Finance costs	470	259
Loss on disposal of property, plant and equipment	124	-
Interest income	(72)	(49)
Reversal of inventories written down	-	(485)
Share of loss/(profit) of a joint venture	(38)	(76)
Operating profit before changes in working capital	4,195	688
(Increase)/decrease in inventories	956	2,289
Decrease/(increase) in trade and other receivables	(1,549)	(7,145)
Increase in property development costs	(2,924)	-
Decrease in trade and other payables	1,155	(1,806)
Cash used in operations	1,833	(5,974)
Tax paid (net with tax refunded)	(595)	(646)
Net cash used in operating activities	<u>1,238</u>	<u>(6,620)</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(3,138)	(725)
Dividends received from a joint venture	703	159
Interest received	72	49
Proceeds from disposal of property, plant and equipment	120	-
Net cash used in investing activities	<u>(2,243)</u>	<u>(517)</u>
Cash flows from financing activities		
Interest paid	(470)	(259)
Drawdown of borrowings	15,636	13,617
Repayments of borrowings	(7,159)	(5,244)
Repayments of hire purchase creditors	(238)	(34)
Proceeds from rights issue with warrants	-	13,497
Net cash from/(used in) financing activities	<u>7,769</u>	<u>21,577</u>
Net increase in cash and cash equivalents	6,764	14,440
Effects of exchange rate changes	(333)	95
Cash and cash equivalents at beginning of period	<u>16,083</u>	<u>10,402</u>
Cash and cash equivalents at end of period	<u><u>22,514</u></u>	<u><u>24,937</u></u>
Cash and cash equivalents comprise:		
Cash and bank balances	<u>22,514</u>	<u>24,937</u>

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

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

PART A: NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of *FRS 134 Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2014 except for those disclosed in Note A2.

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 financial position and performance of the Group since the financial year ended 31 December 2014 and should be read in conjunction with the Company’s audited financial statements for the financial year ended 31 December 2014.

A2. SIGNIFICANT ACCOUNTING POLICIES

In November 2011, The Malaysian Accounting Standards Board (“MASB”) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRS”) Framework. The issuance was made in conjunction with the MASB’s plan to converge with International Financial Reporting Standards (“IFRS”) in 2012. The MFRS Framework is a fully IFRS-compliant framework and equivalents to IFRSs.

The MFRS Framework is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and/or IC Interpretation 15 Agreements for Construction of Real Estate, including their parents, significant investor and venturers (“Transitioning Entities”). Transitioning Entities (“TE”) are allowed to continue applying the FRS Framework for annual periods beginning on or after 1 January 2012.

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

A2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

MASB's announcement and Implementation of MFRSs were issued on 2 September 2014 and 16 December 2014 respectively, further explained that MFRS 15 Revenue from Contracts with Customers and the Bearer Plants Amendments had been issued, it would be counter-intuitive for entities that have applied MFRSs to revert to FRSs. The non-reversion from MFRSs to FRSs is effective for financial statements with annual periods beginning on or after the MASB's announcement date of 2 September 2014.

The Group met the criteria as a TE before 2 September 2014, and elected to apply the FRS Framework. The adoption of FRS Framework did not have any significant impacts on the financial statements of the Group.

Being a TE as defined above, the Group will present its first MFRS financial statements for the financial year ending 31 December 2017.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2014, except for the adoption of the following new Malaysian Financial Reporting Standards ("FRSs"), Amendments to FRSs and IC Interpretations which are applicable for the Group's financial period beginning on or after 1 January 2015.

Amendments to FRS 119	Defined Benefit Plans: Employee Contributions
Amendment to FRS 2	Share-based Payment (<i>Annual Improvements to FRSs 2010-2012 Cycle</i>)
Amendment to FRS 3	Business Combinations (<i>Annual Improvements to FRSs 2010-2012 Cycle</i>)
Amendment to FRS 3	Business Combinations (<i>Annual Improvements to FRSs 2011-2013 Cycle</i>)
Amendment to FRS 8	Operating Segments (<i>Annual Improvements to FRSs 2010-2012 Cycle</i>)
Amendment to FRS 13	Fair Value Measurement (<i>Annual Improvements to FRSs 2011-2013 Cycle</i>)
Amendment to FRS 116, Amendment to FRS 138	Property, Plant & Equipment; Intangible Assets (<i>Annual Improvements to FRSs 2010-2012 Cycle</i>)
Amendment to FRS 124	Related Party Disclosures (<i>Annual Improvements to FRSs 2010-2012 Cycle</i>)
Amendment to FRS 140	Investment Property (<i>Annual Improvements to FRSs 2011-2013 Cycle</i>)

Adoption of the above pronouncements does not have any significant impact to the Group.

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

A3. AUDITORS' REPORT ON PRECEDING YEAR'S FINANCIAL STATEMENTS

The report of the auditors to members of the Company dated 27 April 2015 on the audited financial statements for the financial year ended 31 December 2014 did not contain any qualification or any adverse comment made under Section 174(3) of the Companies Act, 1965.

A4. SEASONALITY OF OPERATIONS

The Group's results were not materially affected by any major seasonal or cyclical factors.

A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOW

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and financial year-to-date under review.

A6. CHANGES IN ACCOUNTING ESTIMATES

There were no changes in accounting estimates that have had a material effect in the current quarter and financial year-to-date results.

A7. DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current period under review.

A8. DIVIDENDS PAID

No dividend were paid during the current quarter and financial year-to-date under review in relation to the financial year ending 31 December 2015.

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

A9. PROPERTY, PLANT AND EQUIPMENT

(a) Acquisitions and disposals

There were no material acquisitions and disposals during the current quarter and financial year-to-date under review.

(b) Impairment losses

There were no impairment losses during the current quarter and financial year-to-date under review.

(c) Valuation

The valuation of land and buildings has been brought forward without amendment from the previous year's financial statements.

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

A10. OPERATING SEGMENTS

Information on reportable segments is presented as follows:

For the period ended 30 June	Manufacturing		Property development & construction		Others		Eliminations		Consolidated	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Revenue										
Revenue from external customers	41,828	39,241	17,076	-	367	348	-	-	59,271	39,589
Inter-segment revenue	431	668	-	-	9	9	(440)	(677)	-	-
Total revenue	42,259	39,909	17,076	-	376	357	(440)	(677)	59,271	39,589
Segment Results	2,539	1,057	(206)	-	(1,176)	(2,046)	-	-	1,157	(989)
Share of profit of a joint venture (net of tax)	38	76	-	-	-	-	-	-	38	76
Profit/(loss) before tax	2,577	1,133	(206)	-	(1,176)	(2,046)	-	-	1,195	(913)
Taxation									(798)	(382)
Profit/(loss) for the financial period									397	(1,295)

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

A11. EVENTS AFTER BALANCE SHEET DATE

There were no material events subsequent to the end of the financial period except as disclosed in Note B6 of the Status of Corporate Proposals.

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter under review.

A13. CONTINGENT ASSETS

The Group does not have any contingent assets as at the end of the quarter under review.

A14. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no changes in other contingent liabilities and contingent assets since the last annual balance sheet as at 31 December 2014.

A15. CAPITAL COMMITMENTS

There were no capital commitments outstanding not provided for in the financial statements as at the end of the quarter under review.

A16. MATERIAL RELATED PARTY TRANSACTIONS

	Quarter ended		Cumulative period	
	30 June		ended 30 June	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Sale of goods	<u>1,464</u>	<u>692</u>	<u>2,148</u>	<u>959</u>

The above sales transactions are with a company in which directors of a subsidiary has an interest.

Apart from the above, there were no other material related party transactions entered into during the current quarter and financial year-to-date under review.

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. ANALYSIS OF PERFORMANCE

The Group's revenue of RM32.5 million for current quarter of 2015 was RM12.0 million higher than the RM20.5 million reported in the corresponding quarter of the previous year. Revenue for the financial year-to-date under review was RM59.3 million, RM19.7 million higher than the RM39.6 million recorded in the same period of the preceding year.

The Group recorded a profit before tax of RM1.7 million in current quarter of 2015 as compared to loss before tax of RM0.6 million for same quarter of last year. Profit before tax for the current financial year-to-date of RM1.2 million was RM2.1 million higher than loss before taxation of RM0.9 million reported in the corresponding period of year 2014.

Increase in revenue and profit before tax was contributed by improved performance of manufacturing segment as well as profit recognition from the construction contract in Ipoh.

a) Manufacturing

The revenue of RM20.9 million from manufacturing segment for the current quarter was RM0.7 million higher than the RM20.2 million recorded in the corresponding quarter of 2014. The segment's revenue for the financial year-to-date of RM41.8 million was also RM2.6 million higher than RM39.2 million recorded in the same period of last year.

Profit before tax recorded by manufacturing segment during the quarter under review was RM1.5 million, RM0.4 million higher than RM1.1 million reported in the same quarter of last year. The segment's profit before taxation of RM2.6 million for the financial year-to-date was RM1.5 million higher than RM1.1 million for the same period of year 2014. Higher revenue for the current quarter are mainly due to increase in volume of sales and enhancement in production efficiencies resulting in the improved performance in the segment. Further, the impact of favourable US Dollar against Ringgit Malaysia exchange rates has also resulted in net foreign exchange gains.

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

b) Property development & construction

The property development & construction segment recorded a revenue of RM11.2 million and profit before tax of RM0.7 million in the current quarter. The revenue and loss before tax for financial year-to-date under review were RM17.1 million and RM0.2 million respectively.

The increase in revenue during the quarter was mainly due to progress billings on the progress of works from the construction contract in Ipoh. Besides the higher revenue, the improved profit was also contributed by higher profit recognition from the construction contract.

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER

The Group recorded revenue of RM32.5 million and profit before tax of RM1.7 million for the current quarter ended 30 June 2015 as compared to revenue of RM26.8 million and loss before tax of RM0.5 million achieved in the preceding quarter. Increase in revenue and profit were contributed by improved performance of manufacturing segment as well as profit recognition from the construction contract in Ipoh which was explained in Note B1(b) above.

B3. PROSPECTS

The Group expects its manufacturing segment to face new pressures stemming from the surprise move by China to devalue its yuan in August. The cheaper yuan immediately raises competitiveness of Chinese exporters.

Reacting immediately to the devaluation of the yuan, Vietnam's central bank further devalued the dong against the US dollar for the third time in the current year. However, the dong has remained generally strong in comparison to other regional currencies and this has disadvantaged Vietnam-based exporters.

Alongside the generally weaker global demand, the Group also anticipates intensifying price competition from various competitors due to the competitive devaluation of currencies for the second half of the current year. Our profit margins are expected to narrow with the pricing pressures.

On the property front, the Malaysian property market remains challenging due to various fiscal measures taken by the government.

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

B4. PROFIT FORECAST

Not applicable as the Group did not publish any profit forecast.

B5. TAX EXPENSE

	Quarter ended 30 June		Cumulative period ended 30 June	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Current year taxation:				
- Malaysia	385	34	532	83
- Overseas	151	216	266	366
Deferred taxation in respect of prior year:				
- Malaysia	-	(67)	-	(67)
	<u>536</u>	<u>183</u>	<u>798</u>	<u>382</u>

The effective tax rate of the Group for the period ended 30 June 2015 is higher than the statutory income tax rate as certain subsidiary companies experienced losses during the financial year-to-date under review.

B6. STATUS OF CORPORATE PROPOSALS

Long term incentive plan (“LTIP”) of up to 15% of the issued and paid-up share capital of the Company (excluding treasury shares, if any) for the eligible employees and directors of the Company and its subsidiary companies

The LTIP was implemented on 1 June 2015 and there was no allocation of options and shares pursuant to the LTIP as at the reporting date.

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

B7. BORROWINGS

The Group's borrowings as at the end of the current quarter are as follows:

	As at 30 June 2015 RM'000	As at 31 December 2014 RM'000
Current liabilities	12,406	10,177
Non-current liabilities	62,082	55,615
	<u>74,488</u>	<u>65,792</u>
The borrowings are denominated in the following currencies:		
- Ringgit Malaysia	67,454	59,015
- United States Dollar	5,052	4,681
- Vietnamese Dong	1,982	2,096
	<u>74,488</u>	<u>65,792</u>

The bank borrowings are secured by way of debentures on the fixed and floating assets of the Group and corporate guarantees of the Company.

B8. DIVIDENDS

No dividend has been proposed by the Board of Directors for the financial period ended 30 June 2015.

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

B9. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended 30 June		Cumulative period ended 30 June	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Operating profit is arrived at after charging/ (crediting):				
Interest expense	261	149	470	259
Depreciation and amortization	856	701	2,168	1,636
Inventories written down	138	165	348	316
Reversal of inventories written down	-	(122)	-	(485)
Interest income	(31)	(32)	(72)	(49)
Net (gain)/ loss on foreign exchange	(123)	161	(375)	193
Loss on disposal of property, plant and equipment	-	-	124	-

- (a) There were no gain or loss on disposal of quoted or unquoted investments or properties during the current quarter and financial year-to-date under review.
- (b) Apart from the above, there were no impairment of other assets during the current quarter and financial year-to-date under review.
- (c) There were no gain or loss on derivatives during the current quarter and financial year-to-date under review.
- (d) There were no exceptional items during the current quarter and financial year-to-date under review.

B10. MATERIAL LITIGATION

The Group is not involved in any claim or legal action that will have a material effect on the Group's financial position, results of operations or liquidity at the date of this report.

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

B11. PROFIT/(LOSS) PER ORDINARY SHARE

(a) Basic profit/(loss) per ordinary share

Basic profit/(loss) per ordinary share is calculated by dividing the profit/(loss) attributable to owners of the parent for the period by the weighted average number of ordinary shares in issue during the period (excluding treasury shares).

	Quarter ended 30 June		Cumulative period ended 30 June	
	2015	2014	2015	2014
Profit/(loss) attributable to owners of the parent (RM'000)	<u>1,517</u>	<u>(769)</u>	<u>1,156</u>	<u>(1,220)</u>
Weighted average number of ordinary shares in issue ('000)	<u>144,854</u>	<u>97,052</u>	<u>144,854</u>	<u>97,052</u>
Basic profit/(loss) per ordinary share (sen)	<u>1.05</u>	<u>(0.79)</u>	<u>0.80</u>	<u>(1.26)</u>

(b) Diluted profit/(loss) per ordinary share

The dilutive profit/(loss) per share is not presented as the unexercised warrants has no dilutive effect as the exercise price is above the average market value of the Company's shares.

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

B12. NET ASSETS PER SHARE

Net assets per share attributable to owners of the parent is arrived at by dividing the total equity attributable to owners of the parent at the end of the period by the number of ordinary shares in issue at the end of the period (excluding treasury shares).

	As at 30 June 2015	As at 31 December 2014
Total equity attributable to owners of the parent (RM'000)	<u>110,530</u>	<u>108,298</u>
Number of ordinary shares in issue ('000)	145,063	145,063
Number of shares repurchased ('000)	<u>(209)</u>	<u>(209)</u>
Number of ordinary shares in issue (excluding treasury shares) ('000)	<u>144,854</u>	<u>144,854</u>
Net assets per share attributable to owners of the parent (RM)	<u>0.7630</u>	<u>0.7476</u>

PRG HOLDINGS BERHAD (541706-V)
(FORMERLY KNOWN AS FURNIWEB INDUSTRIAL PRODUCTS BERHAD)

QUARTERLY REPORT – 30 JUNE 2015

B13. REALISED AND UNREALISED PROFITS OR LOSSES

	As at 30 June 2015 RM'000	As at 31 December 2014 RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised	53,764	53,767
- Unrealised	(1,366)	(1,399)
	<u>52,398</u>	<u>52,368</u>
Total share of retained earnings from a joint venture:		
- Realised	820	784
- Unrealised	(1)	(3)
	<u>53,217</u>	<u>53,149</u>
Less: Consolidation adjustments	(15,490)	(16,578)
Retained earnings as per Consolidated Statement of Financial Position	<u><u>37,727</u></u>	<u><u>36,571</u></u>

B14. AUTHORISATION FOR ISSUE

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 27 August 2015.