



**Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 552781-X)**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED 31 MARCH 2015**

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**Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 552781-X)**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE QUARTER ENDED 31 MARCH 2015**

	Quarter ended	
	31/03/2015	31/03/2014
	RM'000	RM'000
Revenue	59,309	51,432
Cost of sales	(30,873)	(27,609)
<b>Gross profit</b>	<b>28,436</b>	<b>23,823</b>
Other income	2,481	1,426
Selling & Distribution expenses	(12,490)	(12,385)
Administrative expenses	(4,330)	(4,160)
Other expenses	(758)	(629)
<b>Results from operating activities</b>	<b>13,339</b>	<b>8,075</b>
Finance income	198	290
Finance cost	(306)	(384)
Share of result of associate	15	2
<b>Profit before tax</b>	<b>13,246</b>	<b>7,983</b>
Income tax expense	(3,849)	(2,371)
<b>Profit for the period</b>	<b>9,397</b>	<b>5,612</b>
<b>Attributable to:</b>		
Owners of the Company	9,346	5,455
Non-controlling interests	51	157
	<b>9,397</b>	<b>5,612</b>
Earnings per share (EPS) attributable to owners of the Company (sen):		
<b>Basic EPS</b>	<b>7.02</b>	<b>4.10</b>
<b>Diluted EPS</b>	<b>6.98</b>	<b>4.10</b>

*The above consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2014.*



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 552781-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE QUARTER ENDED 31 MARCH 2015**

	Quarter ended	
	31/03/2015 RM'000	31/03/2014 RM'000
Profit for the period	9,397	5,612
Foreign currency translation differences for foreign operations	354	134
<b>Total comprehensive income for the period</b>	<b>9,751</b>	<b>5,746</b>
<b>Total comprehensive income attributable to:</b>		
Owners of the Company	9,700	5,589
Non-controlling interests	51	157
	<b>9,751</b>	<b>5,746</b>

Included in the total comprehensive income for the period are:

	Quarter ended	
	31/03/2015 RM'000	31/03/2014 RM'000
interest income	(198)	(290)
other income including investment income	(92)	(32)
interest expenses	306	384
depreciation and amortization	2,290	2,284
provision for and write off/(write back) of receivables	97	(35)
writedown and written off of inventories	104	236
(gain) or loss on disposal of quoted and unquoted investments or properties	N/A	N/A
impairment of assets	N/A	N/A
foreign exchange (gain) or loss	(1,404)	(668)
(gain) or loss on derivatives	N/A	N/A
exceptional items	N/A	N/A
N/A: Not applicable		

*The above consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014.*



**Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company No : 552781-X)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2015**

	<b>As at 31/03/2015 RM'000 <i>Unaudited</i></b>	<b>As at 31/12/2014 RM'000 <i>Audited</i></b>
<b>ASSETS</b>		
Property, plant and equipment	115,547	116,700
Prepaid land lease payments	5,027	4,884
Intangible assets	521	551
Investment in an associate	386	372
Deferred tax assets	529	514
<b>Non-current Assets</b>	<b>122,010</b>	<b>123,021</b>
Inventories	72,494	70,980
Trade receivables	57,153	52,481
Other receivables	10,237	7,721
Amounts due from affiliated companies	112	139
Amount due from an associate	364	470
Current tax assets	59	43
Cash & cash equivalents	55,657	43,607
<b>Current Assets</b>	<b>196,076</b>	<b>175,441</b>
<b>TOTAL ASSETS</b>	<b>318,086</b>	<b>298,462</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	133,043	133,043
Share premium	137	137
Other reserves	8,205	7,851
Retained earnings	103,420	94,074
<b>Equity Attributable to Owners of the Company</b>	<b>244,805</b>	<b>235,105</b>
Non-controlling interests	4,871	4,820
<b>Total Equity</b>	<b>249,676</b>	<b>239,925</b>
Deferred taxation	8,969	8,612
Loans and borrowings	9,844	10,030
Finance lease liabilities	3,872	1,531
Post-employment benefits	42	42
<b>Non-current Liabilities</b>	<b>22,727</b>	<b>20,215</b>
Trade payables	14,201	9,115
Other payables	12,056	11,759
Provisions	1,263	1,379
Finance lease liabilities	2,967	2,409
Amounts due to affiliated companies	4,587	4,020
Loans and borrowings	7,343	8,059
Current tax liabilities	3,266	1,581
<b>Current Liabilities</b>	<b>45,683</b>	<b>38,322</b>
<b>Total Liabilities</b>	<b>68,410</b>	<b>58,537</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>318,086</b>	<b>298,462</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>1.84</b>	<b>1.77</b>

*The above consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014.*



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 552781-X)  
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 MARCH 2015



	Share capital	Share premium	Capital reserve	Exchange fluctuation reserve	Share option reserve	Retained earnings	Total	Non-controlling interest	Total equity
<b>At 1 January 2014</b>	133,043	137	6,168	515	-	86,230	226,093	4,221	230,314
Foreign currency translation differences for foreign operations	-	-	-	134	-	-	134	-	134
Total other comprehensive income for the period	-	-	-	134	-	-	134	-	134
Profit for the period	-	-	-	-	-	5,455	5,455	157	5,612
<b>Total comprehensive income for the period</b>	-	-	-	134	-	5,455	5,589	157	5,746
<b>At 31 March 2014</b>	133,043	137	6,168	649	-	91,685	231,682	4,378	236,060
<b>At 1 January 2015</b>	133,043	137	6,168	967	716	94,074	235,105	4,820	239,925
Foreign currency translation differences for foreign operations	-	-	-	354	-	-	354	-	354
Total other comprehensive income for the period	-	-	-	354	-	-	354	-	354
Profit for the period	-	-	-	-	-	9,346	9,346	51	9,397
<b>Total comprehensive income for the period</b>	-	-	-	354	-	9,346	9,700	51	9,751
<b>At 31 March 2015</b>	133,043	137	6,168	1,321	716	103,420	244,805	4,871	249,676

The above consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014.



**Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 552781-X)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 31 MARCH 2015**

	Quarter ended	
	31/03/2015	31/03/2014
	RM '000	RM '000
<b>Cash flows from operating activities</b>		
Profit before tax	13,246	7,983
Other adjustment	1,123	1,483
<b>Operating profit before changes in working capital</b>	<u>14,369</u>	<u>9,466</u>
Net change in current assets	(7,629)	(10,356)
Net change in current liabilities	5,931	8,563
<b>Cash generated from operations</b>	<u>12,671</u>	<u>7,673</u>
Tax paid	(1,711)	(1,632)
<b>Net cash generated from operating activities</b>	<u>10,960</u>	<u>6,041</u>
<b>Cash flows from investing activities</b>		
Interest received	198	290
Purchase of property, plant and equipment	(446)	(2,286)
<b>Net cash used in investing activities</b>	<u>(248)</u>	<u>(1,996)</u>
<b>Cash flows from financing activities</b>		
Interest paid	(306)	(384)
Repayment of short term revolving credit	-	(500)
Repayment of term loans	(918)	(883)
Refinance of property, plant and equipment under finance lease	3,879	390
Payment of finance lease liabilities	(983)	(891)
<b>Net cash from/(used in) financing activities</b>	<u>1,672</u>	<u>(2,268)</u>
Net increase in cash and cash equivalents	12,384	1,777
Effect on foreign exchange rate changes	(334)	(206)
Cash and cash equivalents at 1 January	43,607	59,519
<b>Cash and cash equivalents at 31 March</b>	<u>55,657</u>	<u>61,090</u>
<b>Composition of cash and cash equivalents</b>		
Cash and bank balances	25,834	20,172
Fixed deposits with licensed banks	29,823	40,918
	<u>55,657</u>	<u>61,090</u>

*The above consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2014.*

NOTES TO THE INTERIM FINANCIAL REPORT - 31 MARCH 2015

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

**A1 Basis of Preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2014. The explanatory notes attached to the condensed report 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 December 2014.

**A2 Significant Accounting Policies**

The accounting policies and method of computation adopted for the condensed report are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2014.

**A3 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the audited financial statements for the year ended 31 December 2014 was not qualified.

**A4 Seasonal or Cyclical Factors**

The Group's operations are not materially affected by any seasonal or cyclical factors.

**A5 Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 31 March 2015.

**A6 Material Changes in Estimates**

There were no changes in estimates that have any material effect on the quarter ended 31 March 2015.

**A7 Debt and Equity Securities**

There were no issuances, repurchases and repayments of debt and equity securities during the quarter ended 31 March 2015.

**A8 Dividends Paid**

No dividend was paid during the quarter ended 31 March 2015.

## A9 Segment Information

The Group is organised based on three major business segments as described below. The basis of segmentation was based on information reported internally to the Managing Director of the Group.

Performance is measured based on segment profit before tax and the total of segment assets are measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Group's Managing Director. Segment total asset is used to measure the return of assets of each segment.

There are no changes in the segment reported in the last audited financial statements.

<b>Year-to-date ended 31 March 2015</b>	<b>Investment holding RM'000</b>	<b>Trading RM'000</b>	<b>Manufacturing RM'000</b>	<b>Inter-company Elimination RM'000</b>	<b>Total RM'000</b>
Revenue from external customer	6	9,136	50,167	-	59,309
Inter-segment revenue	32	98	5,084	(5,214)	-
<b>Total revenue</b>	<b>38</b>	<b>9,234</b>	<b>55,251</b>	<b>(5,214)</b>	<b>59,309</b>
<b>Segment profit before tax</b>	<b>1,273</b>	<b>960</b>	<b>11,311</b>	<b>(298)</b>	<b>13,246</b>
<b>Segment assets</b>	<b>179,809</b>	<b>40,622</b>	<b>281,682</b>	<b>(184,027)</b>	<b>318,086</b>

<b>Year-to-date ended 31 March 2014</b>	<b>Investment holding RM'000</b>	<b>Trading RM'000</b>	<b>Manufacturing RM'000</b>	<b>Inter-company Elimination RM'000</b>	<b>Total RM'000</b>
Revenue from external customer	6	8,260	43,166	-	51,432
Inter-segment revenue	30	77	5,185	(5,292)	-
<b>Total revenue</b>	<b>36</b>	<b>8,337</b>	<b>48,351</b>	<b>(5,292)</b>	<b>51,432</b>
<b>Segment profit before tax</b>	<b>452</b>	<b>1,418</b>	<b>6,800</b>	<b>(687)</b>	<b>7,983</b>
<b>Segment assets</b>	<b>172,708</b>	<b>37,645</b>	<b>270,294</b>	<b>(169,425)</b>	<b>311,222</b>

### **Investment holding 1Q15 vs. 1Q14**

Holding company's profit before tax reported at RM1.27 million in 1Q15 against last year correspondence quarter was due to favourable unrealized foreign exchange gain recognised during the quarter under review.

### **Trading 1Q15 vs. 1Q14**

Trading segment recorded profit before tax of RM0.96 million in 1Q15, a decrease of 32% compared to RM1.42 million achieved in 1Q14. This was mainly due to higher cost of goods sold and operating costs.

### **Manufacturing 1Q15 vs. 1Q14**

Manufacturing segment posted a higher profit before tax of RM11.31 million for 1Q15 compared to RM6.80 million in 1Q14, an increase of 66% mainly due to lower cost margin in product mix and growth in revenue of RM6.90 million in 1Q15.

## A10 Valuations of Property, Plant and Equipment

Property, plant and equipment of the Group are stated at cost less accumulated depreciation and any accumulated impairment losses where applicable.

There is no revaluation of property, plant and equipment during the period under review.



**A11 Subsequent Events**

There were no material events subsequent to the end of the current quarter.

**A12 Changes in the Composition of the Group**

There were no changes in the composition of the Group during the quarter ended 31 March 2015.

**A13 Contingent Liabilities**

There were no significant changes in contingent liabilities since 31 December 2014.

**A14 Capital Commitment**

Capital commitments expenditure not provided for in the condensed report as at the end of the financial period were as follows:

	<b>Approved and contracted for RM'000</b>	<b>Approved but not contracted for RM'000</b>
Building in progress	75	-
Plant & machinery	685	180
	<u>760</u>	<u>180</u>

**A15 Related Party Transactions**

Significant related party transactions are as follows:

	<b>Quarter ended</b>	
	<b>31/03/2015 RM'000</b>	<b>31/03/2014 RM'000</b>
<u>Corporation related to substantial shareholder</u>		
Purchase of pharmaceutical products	2,472	2,820
Consultancy fees payable	19	28
	<u>2,491</u>	<u>2,848</u>
<u>Companies in which certain Directors have interest</u>		
Purchase of raw materials	721	1,799
Sales of pharmaceutical products	(78)	(41)
	<u>643</u>	<u>1,758</u>

**B1 Review of Performance**

The Group's **revenue** has reported an increase of 15.3% to RM59.31 million from RM51.43 million recorded in the quarter ended 31 March 2014.

The Group registered a **profit before tax** of RM13.25 million, an increase of 65.9% compared to the preceding year quarter. This was mainly due to higher revenue recorded and lower cost margin for product mix sold during the quarter under review.

**B2 Comparison with the Preceding Quarter's Results**

	Qtr 1 (31/03/15) RM'000	Qtr 4 (31/12/14) RM'000	Variance	
			RM'000	%
Revenue	59,309	54,924	4,385	8.0
Profit before tax	13,246	9,977	3,269	32.8

The Group recorded a revenue of RM59.31 million for the current quarter under review compared to RM54.92 million for the immediate preceding quarter showing a growth of 8.0%. The increased in revenue was mainly attributable to higher demand of the Group's products especially from export segment.

Further, the Group reported an increase of profit before tax from RM9.98 million in the immediate preceding quarter to RM13.25 million. The 32.8% increase was achieved through higher revenue, more efficient operations and lower cost margin for product mix during the quarter under review.

**B3 Prospects of the Group**

The continued strong performance of the Group at the start of 2015 was the result of improved operational efficiency, increased product range through successful product registration, and enhancing competitiveness through strategic investments and expansion.

The prospects for domestic and overseas manufacturing plant, consumer healthcare products and traditional complementary medicine remain good in the markets we operate. Efforts in introducing more new range of products will be stepped up to broaden our market base. However, uncertainties in the global economic outlook and the weakening of the Malaysian Ringgit are some of the factors beyond our control that may have an impact on our business in 2015.

**B4 Profit Forecast or Profit Guarantee**

There were no profit forecast or profit guarantee issued by the Group.

**B5 Taxation**

Details of taxation are as follows :-

	Quarter ended	
	31/03/2015 RM'000	31/03/2014 RM'000
Income Tax		
Current tax	3,492	2,331
Deferred tax	357	40
	3,849	2,371

Income tax is calculated at the Malaysian statutory tax rate of 25%. (2014: 25%)

The Group's effective tax rate for the current quarter was higher than the statutory tax rate principally due to certain expenses which were not deductible for tax purposes and unavailability of group tax relief from overseas subsidiaries.

**B6 Realised/unrealised Retained Earnings**

The breakdown of the retained profits of the Group as at 31 March 2015 and 31 December 2014, into realised and unrealised profits/(losses) is as follows:

	As at 31/03/2015 RM'000	As at 31/12/2014 RM'000
Total retained earnings of the Company and its subsidiaries:		
Realised	115,257	106,467
Unrealised	5,748	4,843
	<u>121,005</u>	<u>111,310</u>
Total share of accumulated losses of associate:		
Realised	135	121
Unrealised	-	-
	<u>121,140</u>	<u>111,431</u>
Less: Consolidation adjustments	(17,720)	(17,357)
Total Group retained earnings as per consolidated accounts	<u><u>103,420</u></u>	<u><u>94,074</u></u>

The determination of realised and unrealised profits/(losses) is based on the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by Malaysian Institute of Accountants.

**B7 Corporate Proposals****i) Status of utilisation of proceeds raised under the Rights Issue for the quarter under review**

As at the reporting date, the status of the proposed utilisation of proceeds raised under the Rights Issue in 2011 are as set out below:

	Proposed utilisation RM'000	Actual utilisation RM'000	Deviation RM'000	Expected full utilisation
<b>Capital expenditure</b>				
- Expansion of existing local production facilities	7,000	7,000	-	
- Expansion of R&D facilities	5,000	2,059	2,941	By Q4 2015
- Replacement of obsolete machineries and equipments	5,000	5,000	-	
<b>Working capital</b>				
- Purchase of raw materials, packaging materials and original equipment manufacturer ("OEM") finished products	9,500	9,500	-	
- Distribution and marketing expenses	2,900	2,900	-	
- Production, R&D and administrative expenses	3,400	3,400	-	
Estimated expenses in relation to the Rights Issue *	460	460	-	
Total	<u><u>33,260</u></u>	<u><u>30,319</u></u>	<u><u>2,941</u></u>	

\* Expenses relating to the Rights Issue amounting to RM398,000 were lower than estimated, the remaining portion was reclassified for working capital purposes.

The revision in the utilization of Rights Issue proceeds had been extended to Q4 2015 as disclosed in the announcement dated 15 October 2014.

**B8 Borrowings and Debt Securities**

The details of the Group borrowings as at 31 March are as follows :

**31 March 2015**

	Denominated in Foreign Currency	RM Equivalent
	SGD'000	RM'000
<b>Current</b>		
Secured revolving credit	-	5,000
<u>Secured bank loans:</u>		
- Domestic	-	2,282
- Foreign	23	61
<u>Finance lease creditor:</u>		
- Domestic	-	2,936
- Foreign	11	31
	34	10,310
<b>Non-current</b>		
<u>Secured bank loans:</u>		
- Domestic	-	9,056
- Foreign	292	788
<u>Finance lease creditor:</u>		
- Domestic	-	3,756
- Foreign	43	116
	335	13,716
<b>Total borrowings</b>	369	24,026

**31 December 2014**

	Denominated in Foreign Currency	RM Equivalent
	SGD'000	RM'000
<b>Current</b>		
Secured revolving credit	-	5,000
<u>Secured bank loans:</u>		
- Domestic	-	2,980
- Foreign	30	79
<u>Finance lease creditor:</u>		
- Domestic	-	2,379
- Foreign	11	30
	41	10,468
<b>Non-current</b>		
<u>Secured bank loans:</u>		
- Domestic	-	9,257
- Foreign	292	773
<u>Finance lease creditor:</u>		
- Domestic	-	1,409
- Foreign	46	122
	338	11,561
<b>Total borrowings</b>	379	22,029

As at the reporting date, the Group had not issued any debt securities.

**B9 Material Litigation**

There was no material litigation against the Group as at the reporting date.

**B10 Proposed Dividend**

On 17 March 2015, the Company proposed a first and final single tier dividend of 6.5 sen per ordinary share of RM1.00 each for the financial year ended 31 December 2014, which is subject to the approval of members at the forthcoming Annual General Meeting of the Company.

**B11 Earnings Per Share**

	Quarter ended	
	31/03/2015	31/03/2014
<b>i) Basic Earnings Per Share</b>		
Profit attributable to owners of the Company (RM'000)	9,346	5,455
Weighted average number of ordinary shares in issue ('000)	133,043	133,043
<b>Basic Earnings Per Share (sen)</b>	7.02	4.10
<b>ii) Diluted Earnings Per Share</b>		
Profit attributable to owners of the Company (RM'000)	9,346	5,455
Weighted average number of ordinary shares in issue ('000)	133,043	133,043
Effect of dilution-Share options ('000)	778	-
Adjusted weighted average number of ordinary shares in issue ('000)	133,821	133,043
<b>Diluted Earnings Per Share (sen)</b>	6.98	4.10

The basic and diluted earnings per share are calculated by dividing profit for the period attributable to owners of the Company over the weighted average number of ordinary shares in issue.