



# **KEJURUTERAAN SAMUDRA TIMUR BERHAD**

**Interim Financial Report**

**For 3<sup>rd</sup> Financial Quarter Ended 31<sup>st</sup> March 2015**

**Pursuant to MFRS 134 and Selected sections of Appendix 9B  
of the Listing Requirements**



**KEJURUTERAAN SAMUDRA TIMUR BERHAD**

(Company No. 142241-X)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT  
THIRD FINANCIAL QUARTER ENDED 31 MARCH 2015**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIODS ENDED 31 MARCH 2015 AND 2014**

		Third Quarter ended		Cumulative Nine Months ended	
		31 March	31 March	31 March	31 March
		2015	2014	2015	2014
	Note	Unaudited	Unaudited	Unaudited	Unaudited
		RM'000	RM'000	RM'000	RM'000
<b><u>Continuing Operations</u></b>					
Revenue		2,175	2,460	8,025	7,335
Cost of sales		(1,541)	(1,473)	(4,841)	(4,470)
<b>Gross profit</b>		<b>634</b>	<b>987</b>	<b>3,184</b>	<b>2,865</b>
Other income		4,543	121	7,268	300
Administrative expenses		812	(1,603)	1,660	(2,579)
Other operating expenses		(654)	(399)	(1,952)	(1,315)
Finance cost		178	(108)	(260)	(249)
<b>Profit/(Loss) before taxation</b>		<b>5,513</b>	<b>(1,002)</b>	<b>9,900</b>	<b>(978)</b>
Income tax expense	<b>A11</b>	(452)	(482)	(1,135)	(380)
<b>Profit/(Loss) for the period from continuing operation</b>		<b>5,061</b>	<b>(1,484)</b>	<b>8,765</b>	<b>(1,358)</b>
<b><u>Discontinued Operations</u></b>					
<b>Profit/(Loss) for the period from discontinued operation</b>		<b>-</b>	<b>(2,910)</b>	<b>-</b>	<b>2,026</b>
<b>Total profit/(loss) for the period</b>		<b>5,061</b>	<b>(4,394)</b>	<b>8,765</b>	<b>668</b>
Attributable to equity holders of the Company:					
- From continuing operations		5,043	(1,484)	8,712	(1,358)
- From discontinued operation		-	(2,905)	-	2,059
		5,043	(4,389)	8,712	701
Non-controlling interests / Minority interests		18	(5)	53	(33)
		5,061	(4,394)	8,765	668
Basic earnings/(loss) per share attributable to equity holders of the Company (sen)					
- From continuing operations	<b>A13</b>	2.75	(1.04)	4.76	(0.95)
- From discontinued operation	<b>A13</b>	-	(2.03)	-	1.44
		2.75	(3.07)	4.76	0.49
Diluted earnings per share attributable to equity holders of the Company (sen)					
	<b>A13</b>	2.03	Anti-dilutive	3.57	Anti-dilutive

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE  
INCOME FOR THE FINANCIAL PERIODS ENDED 31 MARCH 2015 AND 2014



	Third Quarter ended		Cumulative Nine Months ended	
	31 March	31 March	31 March	31 March
	2015	2014	2015	2014
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
<b>Profit/(Loss) for the period</b>	5,061	(4,394)	8,765	668
<b>Other Comprehensive Income:</b>				
Currency translation differences	(2,131)	136	(5,034)	(1,004)
<b>Total other comprehensive income / (loss)</b>	<u>(2,131)</u>	<u>136</u>	<u>(5,034)</u>	<u>(1,004)</u>
<b>Total comprehensive profit/(loss)</b>	<u><u>2,930</u></u>	<u><u>(4,258)</u></u>	<u><u>3,731</u></u>	<u><u>(336)</u></u>
Attributable to:				
Equity holders of the Company	2,936	(4,255)	3,732	(292)
Non-controlling interests / Minority interests	(6)	(3)	(1)	(44)
	<u><u>2,930</u></u>	<u><u>(4,258)</u></u>	<u><u>3,731</u></u>	<u><u>(336)</u></u>

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2015**



		<b>31 March 2015</b>	<b>30 June 2014</b>
		<b>Unaudited</b>	<b>Audited</b>
<b>ASSETS</b>	<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current assets</b>			
Property, plant and equipment	<b>A14</b>	3,226	2,976
Investment in associated company		154	226
Investment securities		35	35
		<u>3,415</u>	<u>3,237</u>
<b>Current assets</b>			
Inventories	<b>A15</b>	1,805	2,164
Trade receivables		3,310	15,770
Other receivables		910	11,384
Tax recoverable		225	81
Cash and bank balances	<b>A16</b>	108,896	104,359
		<u>115,146</u>	<u>133,758</u>
<b>TOTAL ASSETS</b>		<u><u>118,561</u></u>	<u><u>136,995</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital	<b>A8</b>	55,029	42,908
Share premium		16,747	8,412
Share warrants		2,993	3,013
Irredeemable Convertible Unsecured Loan Stock - Equity component		-	18,013
Other reserves		(6,753)	(1,773)
Retained earnings		24,790	24,332
		<u>92,806</u>	<u>94,905</u>
<b>Non-controlling interests / Minority interests</b>		<u>(367)</u>	<u>(366)</u>
<b>Total equity</b>		<u>92,439</u>	<u>94,539</u>
<b>Non-current liabilities</b>			
Loans and borrowings	<b>A18</b>	7,307	10,869
Deferred tax liabilities		39	39
		<u>7,346</u>	<u>10,908</u>
<b>Current liabilities</b>			
Trade payables		7,150	17,632
Other payables		7,152	10,346
Loans and borrowings	<b>A18</b>	3,603	3,570
Tax payable		871	-
		<u>18,776</u>	<u>31,548</u>
<b>Total liabilities</b>		<u>26,122</u>	<u>42,456</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>118,561</u></u>	<u><u>136,995</u></u>
<b>NET ASSETS PER SHARE (SEN)</b>		<u><u>50.4</u></u>	<u><u>66.1</u></u>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 9 MONTH FINANCIAL PERIOD ENDED 31 MARCH 2015**

	Attributable to equity holders of the Company						Non-controlling interest	Total equity	
	Non-distributable			Distributable					
	Share Capital RM'000	Share Premium RM'000	Share Warrants RM'000	ICULS Equity Component RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	RM'000	RM'000
<b>At 1 July 2014</b>	42,908	8,412	3,013	18,013	(1,773)	24,332	94,905	(366)	94,539
Profit for the period	-	-	-	-	-	8,712	8,712	53	8,765
Other comprehensive loss	-	-	-	-	(4,980)	-	(4,980)	(54)	(5,034)
Total comprehensive profit / (loss) for the period	-	-	-	-	(4,980)	8,712	3,732	(1)	3,731
<b>Transactions with owners in their capacity as owners:</b>									
Single tier final dividend for year ended 30 June 2014	-	-	-	-	-	(8,254)	(8,254)	-	(8,254)
Conversion of ICULS	12,000	8,315	-	(18,013)	-	-	2,302	-	2,302
Exercise of warrants	121	20	(20)	-	-	-	121	-	121
Total transactions with owners	12,121	8,335	(20)	(18,013)	-	(8,254)	(5,831)	-	(5,831)
<b>At 31 March 2015 (Unaudited)</b>	<b>55,029</b>	<b>16,747</b>	<b>2,993</b>	<b>-</b>	<b>(6,753)</b>	<b>24,790</b>	<b>92,806</b>	<b>(367)</b>	<b>92,439</b>

Note> "ICULS" - Irredeemable Convertible Loan Stock

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 9 MONTH FINANCIAL PERIOD ENDED 31 MARCH 2014**

	Attributable to equity holders of the Company							Non-controlling interest	Total equity
	Non-distributable			Distributable					
	Share Capital	Share Premium	Warrant Reserve	ICULS Equity Component	Exchange Translation Reserve	Accumulated Losses	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 July 2013</b>	42,908	8,412	3,013	-	(1,443)	(30,600)	22,290	(340)	21,950
Profit/(Loss) for the period	-	-	-	-	-	701	701	(33)	668
Other comprehensive income / (loss)	-	-	-	-	(993)	-	(993)	(11)	(1,004)
Total comprehensive profit / (loss) for the period	-	-	-	-	(993)	701	(292)	(44)	(336)
<b>Transactions with owners in their capacity as owners:</b>	-	-	-	-	-	-	-	-	-
<b>At 31 March 2014 (Unaudited)</b>	42,908	8,412	3,013	-	(2,436)	(29,899)	21,998	(384)	21,614

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIODS ENDED 31 MARCH 2015 AND 2014**



	<b>9 months ended</b>	
	<b>31 March 2015</b>	<b>31 March 2014</b>
	<b>Unaudited RM'000</b>	<b>Unaudited RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit/(Loss) before taxation		
- From continuing operations	9,900	(978)
- From discontinued operations	-	5,988
	<u>9,900</u>	<u>5,010</u>
Adjustments for non-cash and non-operating items:		
- Depreciation of property, plant and equipment	483	4,609
- Gain on disposal of investment in an associated company	(29)	-
- Interest expense	260	1,529
- Unrealised loss / (gain) on foreign exchange	(4,453)	(1,515)
- Loss on disposal of assets held for sale	-	1,766
- Others	(2,499)	(135)
	<u>3,662</u>	<u>11,264</u>
<b>Operating profit before changes in working capital</b>	<b>3,662</b>	<b>11,264</b>
Changes in working capital:		
- Decrease/(Increase) in inventories	359	(1,329)
- Decrease/(Increase) in trade and other receivables	22,934	4,003
- Increase/(Decrease) in trade and other payables	(13,637)	(14,265)
Interest paid	(318)	(1,835)
Interest received	2,485	135
Net change in taxation	(408)	(5,158)
<b>Net cash generated from / (used in) operating activities</b>	<b><u>15,077</u></b>	<b><u>(7,185)</u></b>
<b>Cash Flows From Investing Activities</b>		
Proceeds from disposal of property, plant and equipment, investment in an associated company and/or assets held for sale	255	34,419
Purchase of property, plant and equipment	(733)	(3,944)
Investment in associated company	(154)	-
Uplifting of deposits	512	-
Payment of single tier final dividend for year ended 30 June 2014	(8,254)	-
<b>Net cash (used in) / generated from investing activities</b>	<b><u>(8,374)</u></b>	<b><u>30,475</u></b>
<b>Cash Flows From Financing Activities</b>		
Payment of ICULS coupon rate	(329)	-
(Decrease)/Increase in loans and borrowings	(927)	(19,697)
Proceeds from exercise of warrants	121	-
<b>Net cash used in financing activities</b>	<b><u>(1,135)</u></b>	<b><u>(19,697)</u></b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>5,568</b>	<b>3,593</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>103,814</b>	<b>22,941</b>
<b>Effects of exchange rate changes</b>	<b>(581)</b>	<b>511</b>
<b>Cash and Cash Equivalents at End of Period</b>	<b><u>108,801</u></b>	<b><u>27,045</u></b>
<b>Analysis of Cash and Cash Equivalents:</b>		
Cash and bank balances	9,215	22,456
Deposits with licensed financial institutions	99,681	4,589
Bank overdrafts	(62)	-
Deposits pledged as security to licensed financial institutions	(33)	-
<b>Cash and Cash Equivalents</b>	<b><u>108,801</u></b>	<b><u>27,045</u></b>

## A1 Corporate information

Kejuruteraan Samudra Timur Berhad ("the Company" or "KSTB") is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad ("Bursa Securities").

This unaudited interim financial report was approved by the Board of Directors ("Board") on 25 May 2015.

## A2 Basis of preparation

The unaudited interim financial report, for the period ended 31 December 2014, has been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Securities effective from 25 January 2015 ("MMLR" of Bursa Securities). The unaudited interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2014.

The explanatory notes included in this unaudited interim financial report provides 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 30 June 2014.

## A3 Significant accounting policies

The accounting policies and methods of computation adopted by the Group in this unaudited interim financial report are consistent with those adopted in the audited financial statements of the Group for the year ended 30 June 2014 except for the adoption of the following amendments/improvements to Malaysian Financial Reporting Standards ("MFRS") and IC Interpretations:-

- Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities
- Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21 Levies
- Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions
- Annual Improvements to MFRSs 2010–2012 Cycle
- Annual Improvements to MFRSs 2011–2013 Cycle

The adoption of the above amendments/improvements to MFRSs and IC Interpretations will have no material impact on the financial statements of the Group upon their initial application.

The following MFRS that is issued but not yet effective, has yet to be adopted by the Group.

- Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations (Amendments to MFRS 11)
- MFRS 14 Regulatory Deferral Accounts
- Amendments to MFRS 116 and MFRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to MFRS 116 and MFRS 138)
- MFRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009)
- MFRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009)
- Mandatory Effective Date of MFRS 9 and Transition Disclosures (Amendments to MFRS 9 (IFRS 9 issued by IASB in November 2009), MFRS 9 (IFRS 9 issued by IASB in October 2010) and MFRS 7)

## A4 Changes in Accounting Estimates

During the financial period under review, there was no change in accounting estimates adopted by the Group.



**A5 Seasonal or Cyclical Factors**

Overall, the business operations of the Group were not affected by any seasonal or cyclical factor.

**A6 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 current financial period.

**A7 Changes to Composition of the Group**

There was no change in the composition of the Group for the current financial period under review including business combination, acquisition or disposal of subsidiary and long term investments, restructuring and discontinuing operations.

**A8 Debt and Equity Securities**

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period under review other than the issuance and allotment of 40,402,300 new ordinary shares of RM0.30 each in the Company ("KSTB Shares") as shown below:-

	Warrant Unit	ICULS RM'000	No of KSTB Shares Unit	Share Capital / Amount RM'000
Opening balance	71,513,250	12,000	143,026,500	42,908
Adjustment to KSTB Shares/ICULS/Warrant				
a) Issued/(Cancelled) pursuant to exercise of warrants	(402,300)	-	402,300	121
b) Issued/(Cancelled) pursuant to conversion of ICULS	-	(12,000)	40,000,000	12,000
	<u>(402,300)</u>	<u>(12,000)</u>	<u>40,402,300</u>	<u>12,121</u>
Closing balance / As at end of current financial period	<u>71,110,950</u>	<u>-</u>	<u>183,428,800</u>	<u>55,029</u>

The issuance of 40,402,300 KSTB Shares during the current financial period under review was arising from the exercise of 402,300 warrants at an exercise price of RM0.30 per KSTB Share and conversion of RM12.0 million ICULS at a conversion price of RM0.30 per KSTB Share. The proceeds raised from the exercise of warrants amounted to RM120,690 is to be utilised for the working capital purpose of the Group while no proceeds was raised from the conversion of ICULS.

**A9 Segment Information**

The Group had successfully completed the disposal of the land rigs known as Ikhlas #3 and KST #1 and related equipment of its Land rig services segment and its entire equity interest in Samudra Oil Services Sdn Bhd ("Samudra Oil") which provides and operates the Tubular handling services in the previous financial year. The aforesaid disposals have reduced or downsized the Group's operations to a single Tubular inspection and maintenance services business segment which is currently operated by its wholly owned subsidiary Samudra Timur Sdn Bhd ("STSB"), and operating predominantly in one geographical segment, in Malaysia during the current financial period. Accordingly, segment information for the current financial period is not prepared.

In the corresponding financial period, the Group had three reportable operating segments of which two operating segments were presented in the unaudited condensed consolidated statements of comprehensive income of the Group under the "discontinued operations" following the proposals to dispose the land rigs and related equipment of its Land rig services segment and its entire equity interest in Samudra Oil, as follows:

Continuing operation

- (i) Tubular inspection and maintenance services - provision of tubular inspection and maintenance services for oil and gas industry;

Discontinued operations

- (ii) Tubular handling services - provision of tubular handling equipment and running services to the oil and gas industry; and  
 (iii) Land rig services - provision of land rig and drilling services to the oil and gas industry.

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A9 Segmental Information (Cont'd)**

**UNAUDITED RESULTS FOR 9-MONTH PERIOD ENDED 31 MARCH 2015**

No segmental information has been prepared for the current financial period.

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A9 Segmental Information (Cont'd)**

UNAUDITED RESULTS FOR 9-MONTH PERIOD ENDED 31.3.2014	Continuing Operations				Discontinued Operations		Consolidated RM'000
	Inspection & maintenance services RM'000	Oilfield fishing & others RM'000	Adjustments and Elimination RM'000	Total RM'000	Land rig services RM'000	Tubular handling services RM'000	
<b>D) BUSINESS SEGMENT</b>							
<b>Revenue</b>							
- External	7,335	-	-	7,335	-	55,270	62,605
- Inter-segment	746	-	(746)	-	-	3	3
- Elimination at Discontinued operation	-	-	-	-	-	-	(3)
Total revenue	<u>8,081</u>	<u>-</u>	<u>(746)</u>	<u>7,335</u>	<u>-</u>	<u>55,273</u>	<u>62,605</u>
<b>Results</b>							
- Segment results	807	(1,536)	-	(729)	(5,452)	12,720	6,539
- Finance cost	(26)	(223)	-	(249)	(1,280)	-	(1,529)
Profit/(Loss) before taxation				(978)	(6,732)	12,720	5,010
- Taxation				(380)	-	(3,962)	(4,342)
Profit/(Loss) after taxation				(1,358)	(6,732)	8,758	668
Non-controlling interests / Minority interest				-	33	-	33
Profit/(Loss) for the period attributable to equity holders of the Company				<u>(1,358)</u>	<u>(6,699)</u>	<u>8,758</u>	<u>701</u>
<b>Assets</b>							
Segment assets	12,554	71,696	(26,337)	57,913	8,115	31,001	97,029
Unallocated corporate assets							10
Consolidated Assets							<u>97,039</u>
<b>Liabilities</b>							
Segment liabilities	7,968	48,313	(6,872)	49,409	11,330	13,050	73,789
Unallocated corporate liabilities							1,636
Consolidated Liabilities							<u>75,425</u>

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A9 Segmental Information (Cont'd)**

UNAUDITED RESULTS FOR 9-MONTH PERIOD ENDED 31.3.2014	Continuing Operations				Discontinued Operations		Consolidated RM'000
	Inspection & maintenance services RM'000	Oilfield fishing & others RM'000	Elimination RM'000	Total RM'000	Land rig services RM'000	Tubular handling services RM'000	
<b>II) <u>GEOGRAPHICAL SEGMENT</u></b>							
<b>Revenue from External Customers</b>							
- Malaysia	7,335	-	-	7,335	-	55,270	62,605
- Indonesia	-	-	-	-	-	-	-
Total revenue	<u>7,335</u>	<u>-</u>	<u>-</u>	<u>7,335</u>	<u>-</u>	<u>55,270</u>	<u>62,605</u>
<b>Non-current Assets</b>							
- Malaysia	2,390	1,577	-	3,967	12	19,128	23,107
- Indonesia	-	-	-	-	-	-	-
	<u>2,390</u>	<u>1,577</u>	<u>-</u>	<u>3,967</u>	<u>12</u>	<u>19,128</u>	<u>23,107</u>

**A9 Segment Information (Cont'd)**

For the current financial quarter under review, the Group's revenue has shown a decline of about 12% to RM2.18 million when compared to RM2.46 million posted in the corresponding financial quarter for the Continuing operations classification. It earned a lower gross profit margin hence a reduced gross profit of approximately RM0.63 million for the current financial quarter, a drop of about 36% over RM0.99 million achieved in the corresponding financial quarter.

The aforesaid reduction in gross profit was however offset by higher other income earned of approximately RM4.54 million and recognition of a net gain on foreign exchange of approximately RM1.78 million in the Administrative expenses caption for the current financial quarter. These have enabled the Group to report a pre-tax profit of approximately RM5.51 million as against a pre-tax loss of about RM1.00 million posted in the corresponding financial quarter by the Continuing operations of the Group.

The Group reported a profit for the period of about RM5.06 million as compared to a loss for the period of RM1.48 million registered by the Continuing operations for the corresponding financial quarter. Its profit attributable to equity holders of the Company stood at about RM5.04 million for the current financial quarter while the Group reported a loss attributable to equity holders of the Company position of approximately RM4.39 million with contributions from the Discontinued operations, in the corresponding financial quarter.

[ THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK ]

**A10 Profit before tax**

Included in the profit/(loss) before taxation of the Group are the following items:-

	Third Quarter ended		Cumulative Nine Months ended	
	31 March 2015	31 March 2014*	31 March 2015	31 March 2014*
	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000
a) Interest income	844	58	2,485	135
b) Other income (excluding (a), (e) and (i))	177	74	1,232	186
c) Interest expense	178	(511)	(260)	(1,529)
d) Depreciation and amortisation of property plant and equipment	(169)	(1,565)	(483)	(4,609)
e) Net compensation income from settlement with principal vendor, Tesco Singapore Pte Ltd	3,522	-	3,522	-
f) Amortisation of intangible assets	-	-	-	-
g) Impairment and/or write off of receivables	-	-	-	-
h) Impairment and/or write off of inventories	-	-	-	-
i) Gain/(Loss) on disposal of quoted or unquoted investments or properties or derivatives	-	-	29	-
j) Impairment and/or write off of assets	-	-	-	-
k) Realised foreign exchange gain/(loss)	(229)	(2,295)	(120)	(2,241)
l) Unrealised foreign exchange gain/(loss)	2,006	1,393	4,453	1,515
m) Gain/(loss) on disposal of assets held for sale	-	(1,766)	-	(1,766)
n) Exceptional items	-	-	-	-

\* - Includes amount in respect of the discontinued operations

**A11 Income tax expense**

	Third Quarter ended		Cumulative Nine Months ended	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000
<b>Based on financial period's profit</b>				
<u>Continuing operations</u>				
Taxation				
- Current financial period	354	437	1,037	335
- Under/(Over) provision in the previous years	98	45	98	45
Deferred taxation	-	-	-	-
	<u>452</u>	<u>482</u>	<u>1,135</u>	<u>380</u>
<u>Discontinued operation</u>				
Taxation				
- Current financial period	-	1,036	-	3,962
- Under/(Over) provision in the previous years	-	-	-	-
Deferred taxation	-	-	-	-
	<u>-</u>	<u>1,036</u>	<u>-</u>	<u>3,962</u>
Total tax expenses for the period	<u>452</u>	<u>1,518</u>	<u>1,135</u>	<u>4,342</u>

**A11 Income tax expense (Cont'd)**

Income tax expense is recognised in each financial period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. The Group's effective tax rate for the current financial period ended 31 March 2015 was lower than the statutory tax rate mainly due to certain incomes are exempted and excluded for tax purposes.

The Group's effective tax rate for the corresponding financial period ended 31 March 2014 was higher than the statutory tax rate principally due to losses incurred by certain subsidiaries and certain expenses that were not deductible for tax purpose.

**A12 Discontinued Operations**

In the previous financial year, the Group had entered into various agreements to dispose of its land rigs known as Ikhlas #3 and KST #1 and related equipment ("Disposal of Rigs") and the entire equity interest in Samudra Oil ("Disposal of Samudra Oil") which provides and operates the tubular equipment and handling services. These disposal proposals would result in the discontinuing of the Group's Land rig services segment and the Tubular handling services segment. As such the results related to the Land rig services and Tubular handling services for the corresponding period and/or previous financial year have been presented in the unaudited condensed consolidated statements of comprehensive income of the Group under the "profit for the period from discontinued operations".

The aforesaid disposal proposals were completed as at end of the previous financial year while there is no disposal or event occurred during the current financial period which would result in discontinuing of any of the Group's remaining operating segment or unit.

Statement of comprehensive income disclosure for the corresponding financial period

The results of the discontinued operations for the corresponding period ended 31 March 2014 which have been presented as "profit for the period from discontinued operations" were as follows:

(All in RM'000)	Third Quarter ended		Cumulative Nine Months ended	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Revenue	-	16,869	-	55,270
Cost of sales	-	(10,239)	-	(34,874)
<b>Gross profit</b>	-	6,630	-	20,396
Other income	-	11	-	21
Administrative expenses	-	(6,536)	-	(8,714)
Other operating expenses	-	(1,576)	-	(4,435)
Finance cost	-	(403)	-	(1,280)
<b>Profit/(Loss) before taxation</b>	-	(1,874)	-	5,988
Income tax expense	-	(1,036)	-	(3,962)
<b>Profit/(Loss) for the period</b>	-	(2,910)	-	2,026

Statement of financial position disclosure

The major classes of assets and liabilities of Samudra Oil classified as held for sale as at 31 March 2014 for the corresponding financial period were as follows:

	RM'000
<b>Assets</b>	
Property, plant and equipment	19,128
Inventories	-
Trade and other receivables	11,499
Cash and bank balances	374
Assets of disposal subsidiary classified as held for sale	31,001

**A12 Discontinued Operations (Cont'd)**

	<b>RM'000</b>
<b>Liabilities</b>	
Trade and other payables	(7,683)
Tax payable and deferred taxation	(5,367)
Liabilities of disposal subsidiary classified as held for sale	<u>(13,050)</u>

Statement of cash flows disclosure

	<b>9 months ended 31 March 2014 Unaudited RM'000</b>
Cash flows from operating activities	8,114
Cash flows used in investing activities	(2,093)
Cash flows from financing activities	(7,000)
Net cash (outflows)/inflows	<u>(979)</u>

**A13 Earnings Per Share**Basic earnings/(loss) per share

Basic earning/(loss) per share is calculated by dividing profit/(loss) for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial periods as follows:

	<b>Third Quarter ended</b>		<b>Cumulative Nine Months ended</b>	
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>
Profit/(Loss) for the period attributable to equity holders of the Company (RM'000)				
- From continuing operations	5,043	(1,484)	8,712	(1,358)
- From discontinued operation	-	(2,905)	-	2,059
	<u>5,043</u>	<u>(4,389)</u>	<u>8,712</u>	<u>701</u>
Weighted average number of ordinary shares in issue ('000)	<u>183,237</u>	<u>143,027</u>	<u>183,096</u>	<u>143,027</u>
Basic earnings/(loss) per share attributable to equity holders of the Company (sen)				
- From continuing operations	2.75	(1.04)	4.76	(0.95)
- From discontinued operation	-	(2.03)	-	1.44
	<u>2.75</u>	<u>(3.07)</u>	<u>4.76</u>	<u>0.49</u>

[ THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK ]



**A13 Earnings Per Share (Cont'd)****Diluted earnings/(loss) per share**

The diluted earnings/(loss) per share for the current financial quarter and current year-to-date are computed based on the Group's net profit/(loss) attributable to equity holders of the Company after adjusting for:-

- interest income from cash proceeds on assumed full exercise of warrants at the date of issue of the warrants or beginning of the financial period;
- interest saving on ICULS on assumed full conversion of ICULS at the date of issue of the ICULS or beginning of the financial period; and

divided by the weighted average number of ordinary shares for the current financial quarter and current year-to-date assuming full exercise and conversion of remaining warrants and ICULS respectively at the date of issue of warrants and ICULS or beginning of the financial period as follows:-

	<b>Third Quarter ended</b>		<b>Cumulative Nine Months ended</b>	
	<b>31 March 2015 Unaudited</b>	<b>31 March 2014 Unaudited</b>	<b>31 March 2015 Unaudited</b>	<b>31 March 2014 Unaudited</b>
Profit/(Loss) for the period attributable to equity holders of the Company (RM'000)				
- From continuing operations	5,043	(1,484)	8,712	(1,358)
- From discontinued operation	-	(2,905)	-	2,059
	<u>5,043</u>	<u>(4,389)</u>	<u>8,712</u>	<u>701</u>
Net adjustment for interest income from cash proceeds on exercise of warrants	122	123	372	374
Net adjustment for interest saving from conversion of ICULS (ICULS was converted during the current period)	-	-	-	-
	<u>5,165</u>	<u>(4,266)</u>	<u>9,084</u>	<u>1,075</u>
<b><u>Weighted average number of ordinary shares (diluted) ('000)</u></b>				
Issued ordinary shares at the beginning of	143,027	143,027	143,027	143,027
Weighted average number of new ordinary shares arising from warrants exercised and ICULS converted to date	40,210	-	40,069	-
Weighted average number of ordinary shares to date	183,237	143,027	183,096	143,027
Weighted average number of new ordinary shares assuming full exercise of warrants outstanding	71,111	71,513	71,111	71,513
Weighted average number of ordinary shares	<u>254,348</u>	<u>214,540</u>	<u>254,207</u>	<u>214,540</u>
Diluted earnings/(loss) per share attributable to equity holders of the Company (sen)	<u>2.03</u>	<u>Anti-dilutive</u>	<u>3.57</u>	<u>Anti-dilutive</u>

**A14 Property, Plant and Equipment**

During the financial period under review, the Group has acquired assets at a cost of approximately RM248,000 while there was no disposal.

**A15 Inventories**

There were no write down of inventories during the current financial period under review.

**A16 Cash and cash equivalent**

For the purpose of the condensed consolidated statements of cash flows, cash and cash equivalent comprise the following:-

	<b>As at 31 March 2015 Unaudited RM'000</b>	<b>As at 30 June 2014 Audited RM'000</b>
Cash and bank balances (include deposits with licensed financial institutions)	108,896	104,359
Deposit pledged as security to licensed financial institutions	(33)	(545)
Bank overdrafts	(62)	-
<b>Total cash and cash equivalent</b>	<b>108,801</b>	<b>103,814</b>

**A17 Fair value hierarchy**

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs that are based on observable market data, either directly or indirectly

Level 3 - Inputs that are not based on observable market data

As at end of the reporting date, the Group held the following financial assets that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value:

	<b>Carrying amount RM'000</b>	<b>Level 1 RM'000</b>	<b>Level 2 RM'000</b>	<b>Level 3 RM'000</b>
<u>31 March 2015</u>				
<b>Available-for-sale financial assets</b>				
Equity shares *	35	-	-	35
<u>30 June 2014</u>				
<b>Available-for-sale financial assets</b>				
Equity shares *	35	-	-	35

\* - Investment in equity instruments carried at cost

Fair value information has not been disclosed for the Group's investments in equity instruments that are carried at cost because fair value cannot be measured reliably. The Group does not intend to dispose of its investment in equity instruments in the foreseeable future.

No transfers between any levels of the fair value hierarchy took place during the current financial period under review and the comparative periods. There were also no changes in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

The Group does not hold credit enhancements or collateral to mitigate credit risk. The carrying amount of financial assets therefore present the potential risk.

**A18 Loans and borrowings**

	As at 31 March 2015 Unaudited RM'000	As at 30 June 2014 Audited RM'000
<b>a) Short term borrowings</b>		
Repayable within twelve months		
- Secured	3,541	3,099
- Unsecured	62	471
	<u>3,603</u>	<u>3,570</u>
<b>b) Long term borrowings</b>		
Repayable after twelve months		
- Secured	7,307	8,676
- Unsecured	-	2,193
Portion repayable after one year	<u>7,307</u>	<u>10,869</u>
United States Dollars (USD'000)	2,757	3,393
Ringgit Malaysia equivalent (RM'000)	<u>10,247</u>	<u>10,895</u>

**A19 Contingencies and Exposure to credit risk associated with bank guarantees**

	As at 31 March 2015 Unaudited RM'000	As at 30 June 2014 Audited RM'000
<b><u>Exposure to credit risk associated with bank guarantees</u></b>		
Bank guarantees in favour of third parties	<u>256</u>	<u>6,551</u>

The bank guarantees in favour of third parties of the Group are mainly related to performance guarantees for oil and gas support services undertaken by the Group.

There is no significant litigation against the Group except for the arbitrations and cases pertaining to the jointly controlled entities as reported in the interim financial report of the preceding financial periods and disclosed in Note B7.

**A20 Capital Commitments**

	As at 31 March 2015 Unaudited RM'000	As at 30 June 2014 Audited RM'000
<b><u>Capital expenditure</u></b>		
Approved and contracted for:		
- Property, plant and equipment	<u>-</u>	<u>-</u>

**A21 Related Party Transactions**

The following table provides information on the transactions which have been entered into with related parties during the three month and nine month periods ended 31 March 2015 as well as the balances with the related parties as at 31 March 2015 and 30 June 2014.

	Third Quarter ended		Cumulative Nine Months ended	
	31 March 2015 Unaudited RM'000	31 March 2014 Unaudited RM'000	31 March 2015 Unaudited RM'000	31 March 2014 Unaudited RM'000
Transactions with Director and companies in which certain Directors have interest :-				
a) Purchase of air ticket from a company	12	225	66	578
b) IT related services	53	121	86	167
c) Transportation, freight and handling services	221	516	417	1,564
d) Interest payable to a former director	-	8	-	103

Balances with related parties pertaining to the related parties transactions, as at:

	31 March 2015 Unaudited RM'000	30 June 2014 Audited RM'000
Balance due (to) / from:-		
- Gem Travel & Tour Sdn Bhd	(10)	(16)
- Safworks Sdn Bhd	(19)	(45)
- Safeguards Oceanic Sdn Bhd	-	(91)
- Airoceanic Express Sdn Bhd	-	(7)
- Safeguards Corporation Sdn Bhd	(2)	(5)
- Dato' Chee Peck Kiat @ Chee Peck Jan - former director of the Company	-	(24)
- MPA Info Solutions Sdn Bhd	(2)	-

All outstanding balances with these related parties are unsecured and to be settled in accordance with credit period normally granted by its creditors/vendors.

**A22 Dividend Paid**

On 30 March 2015, a first and final dividend of 4.5 sen per KSTB Share in respect of the financial year ended 30 June 2014 totalling to RM8,254,296 was paid.

**A23 Events Subsequent to the Balance Sheet Date**

In the opinion of the Directors, no transaction or event of a material or unusual nature had occurred between 31 March 2014 up to 25 May 2015 other than those disclosed in Note B5, Note B6 and Note B7.

**PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**



**B1 Review of Performance**

Explanatory comment on the performance of the Group's business activities is provided in Note A9.

**B2 Comment on material change in profit before taxation**

For the current financial quarter under review, the Group registered a decline in revenue by about 36% to approximately RM2.18 million when compared to the revenue performance for the preceding financial quarter of approximately RM3.38 million. This reduced revenue coupled with lower gross profit margin earned for work performed or serviced have resulted in the Group reporting 61% drop in gross profit from RM1.64 million recorded in the preceding financial quarter to approximately RM0.63 million.

The aforesaid declining gross profit was however offset by higher other income earned for the current financial quarter of approximately RM4.54 million. The Group posted a pre-tax profit of approximately RM5.51 million, an increase of about 66% from RM3.31 million registered in the preceding financial quarter.

For the current financial quarter under review, the Group registered higher profit attributable to equity holders of the Company of about RM5.04 million when compared to approximately RM2.72 million achieved in the preceding financial quarter.

**B3 Commentary on the prospects for the financial year ending 30 June 2015**

The Group had successfully completed the disposal of its land rigs and related equipment to completely exit the loss making Land rig services and the disposal of Samudra Oil in the last financial year. The completion of the aforesaid disposals had reduced the Group's operations to a single tubular inspection and maintenance services business and resulted in the Company classified as a Practice Note ("PN") 17 Issuer effective from 3 April 2014 pursuant to previous Paragraph 8.04 and Paragraph 2.1(g) of PN17 of the Main Market Listing Requirements of Bursa Securities effective from 25 March 2013 which has been superseded by the MMLR ("Previous MMLR"). In addition, on 27 February 2015, the Company had announced that it was categorised as "Cash Company" under PN16 pursuant to Paragraph 8.03 of the MMLR. It is the intention of the Company to maintain its listing status and accordingly, the proceeds from the Disposal of Samudra Oil will primarily be utilized towards the acquisition of new businesses and/or assets identified by the Company and repayments of borrowings to Malayan Banking Berhad pursuant to the Debt Settlement Agreement dated 6 September 2013 ("DSA") while the Company may consider distributing any surplus available back to its shareholders.

As the Company is still required to observe and comply with the 12-month timeframe requirement to submit a regularisation plan from the date it originally triggered the PN17 requirements which expired on 2 April 2015, it had on 17 March 2015, submitted an application to Bursa Securities for an extension of time from 2 April 2015 up to 26 February 2016, being one (1) year from the date of triggering the PN16 requirements, to submit the regularisation plan to the Securities Commission ("SC"). The Company has also via the said application sought the approval of Bursa Securities for modification of and waiver to comply with certain requirements of Paragraph 8.03 and 8.04 of the MMLR which was announced on 17 March 2015 and mentioned in Note B5 and Note B6 below. The Company has yet to identify any viable assets and/or business to acquire in order to comply with the PN16 requirements while the aforesaid application is pending Bursa Securities' approval. Appropriate and relevant announcement will be made in relation to the aforesaid as and when required and in accordance with the MMLR of Bursa Securities.

The recent slump in crude oil prices at the start of the fourth quarter of year 2014 due to supply glut amid fragile recovery of advanced economies as well as slowing economy of the emerging markets, has posed greater uncertainties to the global economy. Against this backdrop, the Board expects the financial year ending 30 June 2015 will even be more challenging for the Group and the Board is cautiously optimistic over the sustainability of the current level of the Group's present operations and the progress of its planned expansion of the scope of services and regional growth. Nonetheless, the Group will continue its efforts to maintain and extend the existing stream of service orders which are fundamental for the performance of the Group in the future.

**B4 Variance from Profit Forecast and Profit Guarantee**

This is not applicable to the Group.

**PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**



**B5 Corporate proposals and events**

Utilisation of proceeds raised from the Disposal of Rigs

The status of utilisation of proceeds raised from the Disposal of Rigs as at 31 March 2015 was as follows:-

	<b>Note (a) As reported RM'000</b>	<b>Utilisation as at 31 March 2015 RM'000</b>	<b>Balance unutilised RM'000</b>
Repayment of Borrowings	25,759	23,587	2,172
Purchase of equipment and tools	3,000	972	2,028
Working capital	5,886	5,755	131
Estimated corporate expenses	320	320	-
	<u>34,965</u>	<u>30,634</u>	<u>4,331</u>

*Note a) Circular to Shareholders dated 17 February 2014 ("Circular") and based on foreign exchange rate of USD1.00:RM3.33 as at 24 January 2014.*

On 13 March 2015 the Company has announced that it has resolved to extend the utilisation period for a further 12 months up to 12 March 2016 to utilise the balance unutilised proceeds in accordance with the proposed utilisation as disclosed in the Circular and tabulated above.

Utilisation of proceeds raised from the Disposal of Samudra Oil

The status of utilisation of proceeds raised from the Disposal of Samudra Oil as at 31 March 2015 was as follows:-

	<b>Note (a) As reported RM'000</b>	<b>Utilisation as at 31 March 2015 RM'000</b>	<b>Balance unutilised RM'000</b>
Acquisition of prospective new businesses and/or assets	77,100	-	77,100
Estimated corporate expenses	2,900	2,900	-
	<u>80,000</u>	<u>2,900</u>	<u>77,100</u>

As the Company has yet to identify any viable assets to be acquired in order to comply with Paragraph 8.03 and PN16 of the MMLR of Bursa Securities, it has on 2 April 2015 announced that the Company has resolved to extend the utilisation period of the balance unutilised proceeds as tabulated above from 2 April 2015 to 26 February 2016 or such other date granted by Bursa Securities in connection with the Company's application to Bursa Securities on 17 March 2015 for amongst others a proposed extension of time for a further period up to 26 February 2016 to submit a proposal to acquire a new core business to the SC as mentioned below and in Note B6.

As announced on 17 March 2015, the Company has submitted an application on 17 March 2015 to apply to Bursa Securities the following ("Bursa PN16 Application"):-

- Proposed Extension of Time for SC Submission;
- Proposed Modification to Custodial Account Requirement; and
- Proposed Replacement of PN17 Tagging with PN16 Tagging

As at todate, the aforesaid application is pending approval from Bursa Securities.

## **B5 Corporate proposals and events (Cont'd)**

### Notice of Voluntary Take-over Offer

The Company has on 23 March 2015 announced that KSTB has on even date received a notice of voluntary take-over offer ("Notice") from RHB Investment Bank Berhad ("RHBIB") on behalf of Trance Rex Sdn Bhd, Dato' Chee Peck Kiat @ Chee Peck Jan, Darmendran a/l Kunaretnam and Chee Cheng Chun (collectively referred to as the "Joint Offerors") to acquire all the remaining securities as follows:-

- i) all the remaining KSTB Shares not already held by the Joint Offerors;
- ii) all the outstanding warrants not already held by the Joint Offerors ("Offer Warrant(s)"); and
- iii) any new KSTB Shares that may be issued prior to the closing date of the Offer (as defined below) arising from the exercise of the outstanding warrants not already held by the Joint Offerors.

(items (i) and (iii) are collectively referred to as the "Offer Share(s)")

at a cash consideration of RM0.48 per Offer Share ("Share Offer Price") and RM0.18 per Offer Warrant ("Warrant Offer Price"), respectively ("Offer").

On 25 March 2015 the Company further announced that it has appointed Inter-Pacific Securities Sdn Bhd as the independent adviser to advise the non-interested Directors and holders of the Offer Shares and Offer Warrants ("Holders") in relation to the Offer and it does not seek an alternative person to make a take-over offer for the Offer Shares and Offer Warrants.

The Offer Document dated 13 April 2015, which sets out the details, terms and conditions of the Offer together with the Form of Acceptance and Transfer enclosed therein, was despatched to the Holders on 13 April 2015 while the Independent Advice Circular in relation to the Offer was despatched to the Holders on 23 April 2015.

On 29 April 2015, the Company has received a press notice from RHBIB, on behalf of the Joint Offerors, informing that the closing date of the Offer and time for acceptances of the Offer have been extended from 5.00 p.m. (Malaysian time) on Tuesday, 5 May 2015 to 5.00 p.m. (Malaysian time) on Tuesday, 19 May 2015 ("Extended Closing Date"). Save for the Extended Closing Date, all other details, terms and conditions as set out in the Offer Document remain unchanged.

On 15 May 2015, the Company has further received a press notice from RHBIB, on behalf of the Joint Offerors, informing that the closing date of the Offer and time for acceptances of the Offer have been extended from 5.00 p.m. (Malaysian time) on Tuesday, 19 May 2015 to 5.00 p.m. (Malaysian time) on Friday, 12 June 2015 ("2nd Extended Closing Date"), being the final closing date of the Offer. Save for the 2nd Extended Closing Date, all other details, terms and conditions as set out in the Offer Document remain unchanged.

## **B6 Listing Status of the Company**

On 3 April 2014, the Company announced that it is an affected listed issuer pursuant to Paragraph 8.04 of the Previous MMLR of Bursa Securities as the Company has triggered Paragraph 2.1(g) of PN17 of the Previous MMLR following the completion of the disposal by the Company of its entire equity interest in Samudra Oil to Destini Berhad on 3 April 2014 ("First Announcement"). As a PN17 Issuer, the Company would have to regularise its condition by identifying new businesses and/or assets that have prospects to be acquired within twelve (12) months from the date of the First Announcement.

In addition, on 27 February 2015, the Board had announced that the Company had triggered the cash criterion pursuant to Paragraph 8.03(1) and PN16 of the MMLR based on the unaudited quarterly financial statements for the financial period ended 31 December 2014 as announced on 27 February 2015. As such, KSTB is categorised as "Cash Company" under PN16 pursuant to Paragraph 8.03 of the MMLR. Hence, as a Cash Company, the Company must comply with additional requirements, amongst others, to regularise its condition by the following:

- (i) submitting a proposal to acquire a new core business to the SC for its approval within 12 months from the date it receives the notice from Bursa Securities notifying it is considered a Cash Company; and
- (ii) implement its proposal within the timeframe prescribed by the SC.

**PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**



**B6 Listing Status of the Company (Cont'd)**

Notwithstanding KSTB triggering PN16 on 27 February 2015, it is still required to observe and comply with the 12-months timeframe requirement to submit a regularisation plan from the date it originally triggered the PN17 requirements on 3 April 2014, which expired on 2 April 2015. In view thereof, the Company had on 17 March 2015, submitted the Bursa PN16 Application which amongst others applies for an extension of time from 2 April 2015 up to 26 February 2016, being one (1) year from the date of triggering the PN16 requirements, to submit the regularisation plan to the SC.

As at todate, the Company is still in the midst of identifying new prospective businesses and formulating its regularisation plan for submission to the SC for its approval while the aforesaid application (Bursa PN16 Application) is pending Bursa Securities' approval.

**B7 Changes in material litigation**

There was no material changes to the status of material litigation as disclosed in the interim financial report of the preceding financial period and there was no new material litigation for the current financial period under review.

**B8 Dividend payable**

In respect of the financial year ended 30 June 2014, a first and final dividend of 4.5 sen per KSTB Share was paid on 30 March 2015. There was no dividend payable as at end of the current financial period under review.

**B9 Disclosure relating to derivatives**

The Group did not enter into any derivatives during the financial period under review or there were no outstanding derivatives as at end of the financial period under review.

**B10 Disclosure of gains/losses arising from fair value changes of financial liabilities**

The Group did not have any financial liabilities measured at fair value through profit or loss as at 31 March 2015 and 2014.

**B11 Realised and Unrealised profits / (losses)**

	<b>31 March 2015</b>	<b>30 June 2014</b>
	<b>Unaudited</b>	<b>Audited</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained profits of the Company and its subsidiaries		
- Realised	20,746	23,882
- Unrealised	4,044	450
Total retained profits as per consolidated accounts	<u>24,790</u>	<u>24,332</u>

**B12 Auditors' Report on Preceding Annual Financial Statements**

The Auditors' Report of the financial statements for the financial year ended 30 June 2014 was not qualified.

**BY ORDER OF THE BOARD**

**Darmendran Kunaretnam**  
**Executive Director**  
 Kuala Lumpur  
 25 May 2015