



**GOODWAY INTEGRATED INDUSTRIES BERHAD**

(Company No: 618972-T)  
(Incorporated in Malaysia)

**Interim Financial Statement for the Period  
Ended 31 March 2015**



**CONSOLIDATED INCOME STATEMENTS**  
**FOR THE PERIOD ENDED 31 MARCH 2015**  
*(The figures have not been audited)*

RM'000	3 months ended		3 months ended	
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	43,500	58,229	43,500	58,229
Cost of sales	(37,650)	(51,793)	(37,650)	(51,793)
<b>Gross profit</b>	5,851	6,436	5,852	6,436
Operating expense	(4,206)	(4,744)	(4,206)	(4,744)
<b>Operating (loss) / profit</b>	1,645	1,692	1,646	1,692
Finance cost	(1,449)	(1,088)	(1,449)	(1,088)
Interest income	22	31	22	31
Finance cost – net	(1,427)	(1,057)	(1,427)	(1,057)
Share of results of an associate	-	8	-	8
Share of results of a jointly controlled entity	-	-	-	-
<b>(Loss) / Profit before tax</b>	218	643	218	643
Taxation	(923)	(617)	(923)	(617)
<b>(Loss) / Profit for the period</b>	(705)	26	(705)	26
<b>(Loss) / Profit attributable to:</b>				
Owners of the Company	(684)	(11)	(684)	(11)
Non-Controlling interest	(21)	37	(21)	37
	(705)	26	(705)	26
<b>(Loss) / Earnings per share attributable to equity holders of the parent (sen)</b>				
- Basic (loss) / earnings per share	(0.62)	(0.01)	(0.62)	(0.01)
- Diluted (loss) / earnings per share	Nil	Nil	Nil	Nil

*The above Consolidated Income Statements should be read in conjunction with the accompanying explanatory notes to the interim financial statements and the audited financial statements for the year ended 31 December 2014.*



**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 MARCH 2015**  
*(The figures have not been audited)*

RM'000	3 months ended		3 months ended	
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>(Loss) / Profit for the period</b>	(705)	26	(705)	26
<b>Other Comprehensive Income:</b>				
Foreign currency translation	879	646	879	646
Other comprehensive income for the period	879	646	879	646
<b>Total comprehensive income for the period</b>	<b>174</b>	<b>672</b>	<b>174</b>	<b>672</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	195	635	196	635
Non-Controlling interest	(21)	37	(21)	37
	174	672	174	672

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



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015**

RM'000	As at 31.3.2015	As at 31.12.2014
	(Unaudited)	(Audited)
<b>ASSETS</b>		
Property, plant and equipment	85,691	85,578
Land held for development	7,412	7,412
Intangible Assets	6,673	6,647
<b>Total non-current assets</b>	99,776	99,637
Property development expenditure	29,666	29,518
Inventories	45,272	43,544
Receivables, Deposit, Prepayments & Staff Advances	79,189	72,098
Tax recoverable	1,705	1,524
Cash and cash equivalents	17,896	19,160
<b>Total current assets</b>	173,728	165,844
<b>TOTAL ASSETS:</b>	273,504	265,481
<b>EQUITY AND LIABILITIES</b>		
Share capital	55,259	55,259
Reserves	5,201	4,322
Retained earnings	18,099	18,783
<b>Owners of the Company</b>	78,559	78,364
<b>Non-Controlling interest</b>	268	290
<b>Total equity</b>	78,827	78,654
Loan and borrowings	52,079	52,488
Deferred tax liabilities	4,856	3,897
<b>Total non-current liabilities</b>	56,935	56,385
Payables and Accruals	52,323	43,418
Loan and borrowings	84,867	87,024
Taxation	552	-
<b>Total current liabilities</b>	137,742	130,442
<b>Total liabilities</b>	194,677	186,827
<b>TOTAL EQUITY AND LIABILITIES</b>	273,504	265,481
<b>Net Assets per share (RM)</b>	0.71	0.82

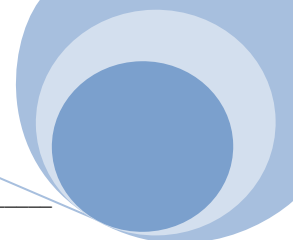
*The above Consolidated Balance Sheet should be read in conjunction with the accompanying explanatory notes to the interim financial statements and the audited financial statements for the year ended 31 December 2014.*



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2015**  
*(The figures have not been audited)*

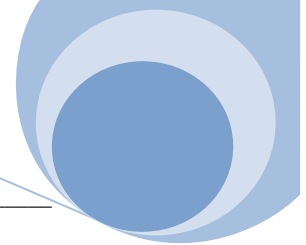
RM'000	Attributable to the owners of the Company							Distributable		Non-Controlling Interests		Total
	Share capital	Share premium	Translation reserve	Revaluation reserve	Share option reserve	Hedging reserve	Fair value reserve	Retained earnings	Total			
<b>At 1 January 2014, as previously stated</b>	55,259	211	(2,017)	5,888	-	-	-	31,186	90,527	1,057	91,584	
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(361)	(361)	
Total comprehensive income for the period	-	-	240	-	-	-	-	(12,403)	(12,163)	(407)	(12,570)	
<b>At 31 December 2014</b>	55,259	211	(1,777)	5,888	-	-	-	18,783	78,364	289	78,653	
<b>At 1 January 2015</b>	55,259	211	(1,777)	5,888	-	-	-	18,783	78,364	289	78,653	
Total comprehensive (losses) / income for the period	-	-	879	-	-	-	-	(684)	195	(21)	174	
<b>At 31 March 2015</b>	55,259	211	(898)	5,888	-	-	-	18,099	78,559	268	78,827	

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



**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
**FOR THE PERIOD ENDED 31 MARCH 2015**  
*(The figures have not been audited)*

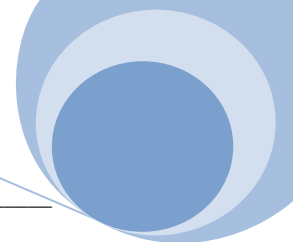
<b>RM'000</b>	<b>3 months ended 31.3.2015 (Unaudited)</b>	<b>12 month ended 31.12.2014 (Audited)</b>
<b>Cash flows from operating activities</b>		
Profit / (Loss) before taxation	218	(15,239)
Adjustments for non-cash items:	4,520	19,205
Operating profit before working capital changes	4,738	3,966
Changes in working capital:		
Decrease in property development expenditure	(148)	(580)
Inventories	(1,730)	8,703
Receivables, deposits and prepayments	(7,091)	1,100
Payables	8,905	8,801
Cash (used in)/generated from operations	4,674	21,990
Interest received	22	134
Interest paid	(1,449)	(5,479)
Tax paid	(552)	(3,171)
Net cash flow (used in)/generated from operating activities:	2,695	13,474
<b>Cash flows from investing activities</b>		
Proceeds from disposal of intangible assets	-	517
Purchase of property, plant and equipment	(2,172)	(14,152)
Net cash flow (used in)/generated from investing activities	(2,172)	(13,635)
<b>Cash flows from finance activities:</b>		
Dividend paid	-	(361)
Net drawdown / (repayment) on term loan and islamic financing	(214)	(3,785)
Proceeds from bill payables	(6,703)	15,245
Net drawdown/(repayment) of hire purchase creditors	(194)	(830)
Net cash flow generated from/(used in) financing activities	(7,111)	10,269
<b>Net changes in cash and cash equivalents</b>	<b>(6,588)</b>	<b>10,108</b>
Exchange differences on translation of foreign subsidiary	879	(752)
<b>Cash and cash equivalents at beginning of period</b>	<b>16,828</b>	<b>7,472</b>
<b>Cash and cash equivalents at end of period</b>	<b>11,119</b>	<b>16,828</b>



**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2014 (CONT'D)**  
*(The figures have not been audited)*

<b>RM'000</b>	<b>3 months ended 31.3.2015 (Unaudited)</b>	<b>12 month ended 31.12.2014 (Audited)</b>
<b>Cash and cash equivalents comprises of:</b>		
Cash and bank balances	17,896	19,060
Bank Overdraft	(6,777)	(2,232)
	<b>11,119</b>	<b>16,828</b>

The above Condensed Consolidated Cash Flow Statements should be read in conjunction with the accompanying explanatory notes to the interim financial statements and latest audited financial statements for the year ended 31 December 2014.



**A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENT**

**A1. Basis of Preparation**

This interim financial statement is unaudited and has been prepared with the reporting requirements as set out in Malaysian Financial Reporting Standard (“MFRS”) 134, “Interim Financial Reporting” and Rule 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“Bursa Securities Listing Requirements”) and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014 and the accompanying explanatory notes attached to the audited financial statements.

**A2. Changes in Accounting Policies**

The adoption of the following MFRSs and Amendments to MFRSs that came into effect on 1 January 2013 did not have significant effect on the financial performance, position or presentation of financials of the Group.

Amendments to MFRS 1	Government Loan
Amendments to MFRS 1	Annual Improvements 2009-2011 Cycle
Amendments to MFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
Amendments to MFRS 10, MFRS 11 and MFRS 12	Consolidated Financial Statements, Joint arrangements and Disclosure of Interests in Other Entities: Transition Guidance
MFRS 13	Fair Value Measurement
Amendments to MFRS 101	Annual Improvements 2009-2011 Cycle
Amendments to MFRS 116	Annual Improvements 2009-2011 Cycle
MFRS 119 (as revised in 2011)	Employee Benefits
MFRS 127 (as revised in 2011)	Separate Financial Statements
Amendments to MFRS 132	Annual Improvements 2009-2011 Cycle

**MFRS and Amendments to MFRS that is applicable to the Group but not yet effective**

The Group did not adopt the following standards that have been issued by the Malaysian Accounting Standards Board as these are effective for the financial period beginning on or after 1 January 2014:

MFRS 9	Financial Instruments (effective from 1 January 2015)
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 132	Annual Improvements 2009-2011 Cycle
MFRS 134	Annual Improvements 2009-2011 Cycle

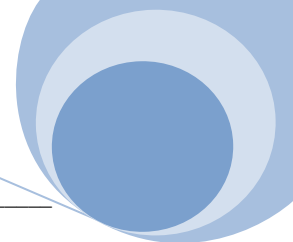
**A3. Audit Report of Preceding Annual Financial Statements**

The audit report of the Group's Financial Statements for the year ended 31 December 2014 was not subject to any qualifications.

**A4. Seasonal or Cyclical Factors**

The Group's performance was not materially affected by seasonal or cyclical factors during the quarter under review.





**A5. Unusual Items**

There were no items affecting assets, liabilities, equity, net income or cash flows during the current financial period that are unusual because of their nature, size and incidence.

**A6. Changes in Estimates**

There were no material changes in estimates that have been used in the preparation of the current financial period or changes in estimates of amounts reported for the last financial year ended 31 December 2014.

**A7. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayment of debts and equity securities during the current period under review.

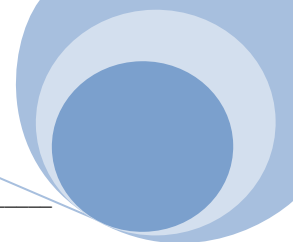
**A8. Dividend Paid**

There was no dividend paid by the Company during the quarter under review.

**A9. Segment Reporting**

Segmental information for the period under review was as follows:-

	Compounding	Retreading	Others	Consolidation Adjustment	3 months ended 31.3.2015	3 months ended 31.3.2014
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External Revenue	29,670	13,830	-	-	43,500	58,229
Inter-Segment Revenue	5,493	695	-	(6,188)	-	-
<b>Total Revenue</b>	<b>35,163</b>	<b>14,525</b>	<b>-</b>	<b>(6,188)</b>	<b>43,500</b>	<b>58,229</b>
Overseas Revenue	23,780	-	-	(2,918)	20,862	25,506
Local Revenue	11,384	14,525	-	(3,270)	22,639	32,723
<b>Total Revenue</b>	<b>35,163</b>	<b>14,525</b>	<b>-</b>	<b>(6,188)</b>	<b>43,500</b>	<b>58,229</b>
Segment Results	4,804	109	(1,209)	-	<b>3,704</b>	<b>3,571</b>
Interest Income	22	-	-	-	<b>22</b>	<b>31</b>
Depreciation and Amortisation	(1,274)	(769)	(15)	-	<b>(2,059)</b>	<b>(1,879)</b>
Finance Cost	(980)	(469)	-	-	<b>(1,449)</b>	<b>(1,088)</b>
Share of Profit in Associate Company	-	-	-	-	-	<b>8</b>
Share of Profit in Jointly Controlled Entity	-	-	-	-	-	-
(Loss) / Profit Before Taxation	2,571	(1,129)	(1,224)	-	<b>218</b>	<b>643</b>
Taxation	(923)	-	-	-	<b>(923)</b>	<b>(617)</b>
<b>Non-Controlling Interests (Loss) / Profit for The Period Attributable to the Owners of the Company</b>	<b>1,648</b>	<b>(1,108)</b>	<b>(1,224)</b>	<b>-</b>	<b>(684)</b>	<b>(11)</b>



**A10. Valuation of Property, Plant and Equipment**

The freehold and leasehold land and buildings of the Group were revalued based on professional valuations made by JS Valuers Property Consultants (E.M.) Sdn Bhd. And Messrs KGV International Property Consultants (M) Sdn. Bhd., on open market value basis conducted in 2012.

**A11. Subsequent Events**

There were no material events subsequent to the end of the period that has not been reflected in the financial report for the current period under review.

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

There were no changes in the composition of the Group for the period under review.

**A13. Contingent Liabilities and Contingent Assets**

	<b>As at 31.3.2015 RM'000</b>	<b>As at 31.12.2014 RM'000</b>
<b>Contingent liabilities</b>		
Corporate guarantee for credit facilities granted to subsidiaries	<u>76,877</u>	<u>76,877</u>

Save as disclosed above, there were no material changes in contingent liabilities and contingent assets since the last audited financial statement for the year ended 31 December 2014.

**A14. Capital Commitments**

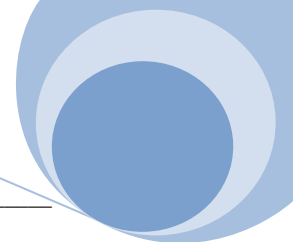
There are no outstanding capital commitments during the period under review.

**A15. Recurrent Related Party Transactions**

The Group's recurrent related party transactions are as follows:

	<b>3 months ended 31.3.2015 RM'000</b>	<b>YTD 3 months ended 31.3.2015 RM'000</b>
Transactions with a company connected to a Director		
- Supplying rubber compound and accessories	<u>1,872</u>	<u>1,872</u>

Related Party Transactions have been entered into in the ordinary course of business based on normal commercial terms and at arm's length.



**B. BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**B1. Review of Performance**

	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.3.2015</b>	<b>31.3.2014</b>	<b>31.3.2015</b>	<b>31.3.2014</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	43,500	58,229	43,500	58,229
Profit before tax	218	643	218	643

For the three months ended 31 March 2015, total revenues decreased by about RM14.7 million from RM58.2 million while 1st quarter 2015 registered a Profit Before Tax of RM0.2million as compared to Profit Before Tax of RM0.6million in preceding year's quarter ended 31 March 2014.

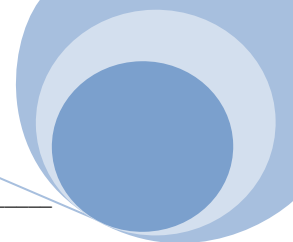
Current quarter registered a lower profit before tax due mainly to the lower sales volume as compared to preceding year's quarter ended 31 March 2014.

**B2. Variation of Results against Preceding Quarter**

	<b>3-mth ended</b>	<b>3-mth ended</b>
	<b>31.3.2015</b>	<b>31.12.2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	43,500	44,133
Profit / (Loss) before tax	218	(14,235)

Revenue decrease by 1.4% from RM44.1 million reported in the immediate preceding quarter to RM43.5 million in the quarter under review as a result of lower sales of it trading operation.

The current quarter registered a profit before tax of RM0.2million, as compared to a loss before tax of RM14.2 million posted in the preceding quarter due mainly to the write off of debts due by overseas customers in preceding quarter.



**B3. Prospects**

The Board is constantly working towards achieving a satisfactory Group performance in the year 2015. As the demand for the Group's rubber compounding and retreading business segments are expected to improve, the company is also focusing on the export market. In addition, the property development project is expected to generate favourable cashflow for the Group.

**B4. (Loss) / Profit Before Taxation**

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

RM'000	3 months ended		3 months ended	
	31.3.2015 (Unaudited)	31.3.2014 (Unaudited)	31.3.2015 (Unaudited)	31.3.2014 (Audited)
Interest income	22	31	22	31
Interest expenses	(1,449)	(1,088)	(1,449)	(1,088)
Depreciation and amortisation	(2,059)	(1,879)	(2,059)	(1,879)
Gain/(Loss) on foreign exchange	1,219	67	1,219	67

**B5. Profit Forecast**

The group has not issued any profit forecast or profit guarantee during the quarter under review.

**B6. Taxation**

Taxation comprises the following:-

	3 months ended		3 months ended	
	31.3.2015 RM'000	31.3.2014 RM'000	31.3.2015 RM'000	31.3.2014 RM'000
Current tax (expense)/credit	(923)	(617)	(923)	(617)
Deferred taxation	-	-	-	-
Total taxation (expense)/credit	(923)	(617)	(923)	(617)

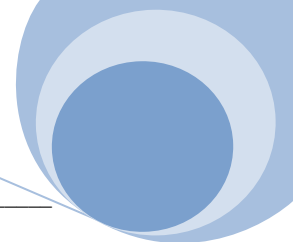
Domestic current income tax is calculated at the statutory tax rate of 25% of the taxable profit for the period. Taxation for other overseas subsidiaries is calculated at the rates prevailing in the respective jurisdictions.

The higher tax rate for the current quarter was mainly due to:

- (a) certain expenses were not deductible for tax purposes
- (b) higher statutory corporate tax rate for certain foreign subsidiaries

**B7. Corporate Proposals**

There were no corporate proposals announced as at the date of this report.



**B8. Group Loans and Borrowings**

The Group borrowings as at 31 March 2015 are as follows:-

<b>RM'000</b>	<b>As at 31.3.2015</b>	<b>As at 31.12.2014</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Non-Current</b>		
-Borrowings (secured)	1,075	1,270
-Term loan (secured)	51,003	51,218
	<b>52,078</b>	<b>52,488</b>
<b>Current</b>		
-Borrowings (secured)	76,250	78,407
-Term loan (secured)	8,617	8,617
	<b>84,867</b>	<b>87,024</b>
<b>Total</b>	<b>136,945</b>	<b>139,512</b>

**B9. Financial Instruments**

Forward foreign exchange contracts are entered into by the Group in currencies other than the functional currency to manage exposure to fluctuations in foreign currency exchange rates on specific transactions.

Forward foreign exchange contracts are recognised on the contract dates and are measured at fair values with changes in fair values being recognised as profit or loss.

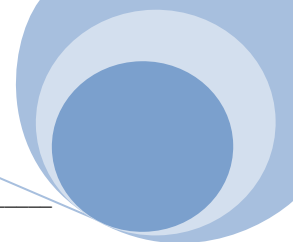
The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its interest rate risk, credit risk, liquidity risk and foreign currency risk.

**B10. Material Litigation**

The Group does not have any material litigation as at the date of this report.

**B11. Proposed Dividend**

There was no dividend declared for the current period under review.



**B12. Retained Earnings**

The realised and unrealised profits of the Group are as follows:

<b>RM'000</b>	<b>As at 31.3.2015 (Unaudited)</b>	<b>As at 31.12.2014 (Audited)</b>
Retained Earnings		
-Realised	78,639	86,756
-Unrealised	(4,855)	(4,968)
	73,785	81,788
Less: Consolidation adjustments	(55,685)	(63,005)
	18,099	18,783

**B13. Loss Per Ordinary Share (EPS)**

	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.3.2015</b>	<b>31.3.2014</b>	<b>31.3.2015</b>	<b>31.3.2014</b>
	RM'000	RM'000	RM'000	RM'000
<b><u>Basic EPS</u></b>				
Net Loss attributable to the owner of the Company	<b>(684)</b>	<b>(11)</b>	<b>(684)</b>	<b>(11)</b>
Weighted average number of ordinary share	110,518	110,518	110,518	110,518
<b>Basic loss per share (sen)</b>	<b>(0.62)</b>	<b>(0.01)</b>	<b>(0.62)</b>	<b>(0.01)</b>

**Diluted EPS**

Not applicable as the Company does not have dilutive ordinary shares in issue as at the reporting date.

By order of the Board  
**GOODWAY INTEGRATED INDUSTRIES BERHAD**  
 FOO SIEW LOON  
 Company Secretary (MAICSA 7006874)  
 Selangor Darul Ehsan

Date: 19 May 2015