



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2015**

	(Unaudited)	(Audited)
	As At	As At
	30.09.15	31.12.14
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	284,451	217,293
Trademark	1	1
	<u>284,452</u>	<u>217,294</u>
Current assets		
Inventories	53,833	40,156
Trade receivables	48,918	26,053
Other receivables, deposits and prepayments	20,371	6,133
Current tax assets	0	46
Cash and cash equivalents	2,450	12,108
	<u>125,572</u>	<u>84,496</u>
TOTAL ASSETS	<u>410,024</u>	<u>301,790</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	62,797	60,000
Retained earnings	99,325	63,109
	<u>162,122</u>	<u>123,109</u>
Non controlling interests	107,252	38,870
Total equity	<u>269,374</u>	<u>161,979</u>
Non-current liabilities		
Borrowings	14,687	14,687
Other payables	15,260	11,311
Deferred tax liabilities	4,600	2,091
Government fund	1,000	1,000
	<u>35,547</u>	<u>29,089</u>
Current liabilities		
Borrowings	61,243	39,961
Trade payables	28,392	11,024
Other payables	12,287	57,269
Government fund	1,000	1,000
Current tax liabilities	2,181	1,468
	<u>105,103</u>	<u>110,722</u>
Total liabilities	<u>140,650</u>	<u>139,811</u>
TOTAL EQUITY AND LIABILITIES	<u>410,024</u>	<u>301,790</u>
Net Assets per Share (RM)	0.65	0.51
Net Assets (RM'000)	162,122	123,109

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTHS ENDED 30 SEPTEMBER 2015**

	3 months ended		9 months ended	
	30.09.15 RM'000	30.09.14 RM'000	30.09.15 RM'000	30.09.14 RM'000
Revenue	99,331	60,752	237,159	183,103
Cost of sales	(81,847)	(51,990)	(201,768)	(157,384)
Gross profit	<u>17,484</u>	<u>8,762</u>	<u>35,391</u>	<u>25,719</u>
Other operating income	70	0	587	7,012
Operating expenses	(5,573)	(3,982)	(15,270)	(11,982)
Finance costs	(1,004)	(680)	(2,470)	(2,206)
Profit before tax	<u>10,977</u>	<u>4,100</u>	<u>18,238</u>	<u>18,543</u>
Income tax expense	(2,161)	(2,568)	(5,673)	(6,038)
PROFIT FOR THE PERIOD	<u>8,816</u>	<u>1,532</u>	<u>12,565</u>	<u>12,505</u>
OTHER COMPREHENSIVE INCOME, NET OF TAX	0	0	0	0
Total comprehensive income for the period	<u><u>8,816</u></u>	<u><u>1,532</u></u>	<u><u>12,565</u></u>	<u><u>12,505</u></u>
Profit / (Loss) for the period attributable to:				
- Equity holders of the Company	5,037	1,780	10,859	12,592
- Non-controlling interests	<u>3,779</u>	<u>(248)</u>	<u>1,706</u>	<u>(87)</u>
Total comprehensive income / (loss) for the period attributable to:				
- Equity holders of the Company	5,037	1,780	10,859	12,592
- Non-controlling interests	<u>3,779</u>	<u>(248)</u>	<u>1,706</u>	<u>(87)</u>
Earnings per share attributable to equity holders of the Company:				
Basic earnings per share (sen)	<u>2.01</u>	<u>0.74</u>	<u>4.41</u>	<u>5.25</u>
Diluted earnings per share (sen)	<u>1.69</u>	<u>0.74</u>	<u>3.62</u>	<u>5.25</u>

(The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTHS ENDED 30 SEPTEMBER 2015**

	Share Capital RM'000	Distributable Retained Earnings RM'000	Total Attributable To Owners of The Parent RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
At 1 January 2014	60,000	63,790	123,790	6,953	130,743
Profit / (Loss) for the financial period	0	12,592	12,592	(87)	12,505
Other comprehensive income, net of tax	0	0	0	0	0
Total comprehensive income/(loss) for the period	0	12,592	12,592	(87)	12,505
At 30 September 2014	60,000	76,382	136,382	6,866	143,248
At 1 January 2015	60,000	63,109	123,109	38,870	161,979
Profit for the financial period	0	10,859	10,859	1,706	12,565
Other comprehensive income, net of tax	0	0	0	0	0
Total comprehensive income for the period	0	10,859	10,859	1,706	12,565
Transactions with owners					
Redeemable non-cumulative preference shares ("RNCPS") subscribed by non-controlling interests, of a subsidiary company	0	0	0	94,526	94,526
Accretion of interest arising from conversion of RNCPS to ordinary share in a subsidiary	0	27,850	27,850	(27,850)	0
Issuance of ordinary shares - exercise of warrants	2,797	0	2,797	0	2,797
Total transactions with owners	2,797	27,850	30,647	66,676	97,323
Dividend	0	(2,493)	(2,493)	0	(2,493)
At 30 September 2015	62,797	99,325	162,122	107,252	269,374

(The Unaudited 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)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE-MONTHS ENDED 30 SEPTEMBER 2015**

	9 months ended	
	30.09.15	30.09.14
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	18,238	18,543
Adjustments for :		
Depreciation	18,188	14,087
Interest expense	2,470	2,206
Interest income	(10)	(1)
Unrealised (gain) / loss on foreign exchange	(221)	292
Gain on disposal of property, plant and equipment	(3)	(126)
Discount received from a machine supplier	0	(6,885)
Operating profit before working capital changes	<u>38,662</u>	<u>28,116</u>
Increase in inventories	(13,677)	(7,349)
(Increase) / Decrease in trade and other receivables	(33,844)	2,948
Decrease in trade and other payables	(25,377)	(13,224)
Cash (used in) / generated from operations	<u>(34,236)</u>	<u>10,491</u>
Interest paid	(2,470)	(2,206)
Interest received	10	1
Tax paid	(2,405)	(2,837)
Net cash (used in) / from operating activities	<u>(39,101)</u>	<u>5,449</u>
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	3	230
Purchase of property, plant and equipment	(85,346)	(3,686)
Net cash used in investing activities	<u>(85,343)</u>	<u>(3,456)</u>
Cash flows from financing activities		
Dividends paid	(2,493)	0
Proceeds from short term bank borrowings	115,542	121,138
Repayments of short term bank borrowings	(110,881)	(132,665)
Repayments of term loans	(2,829)	(2,823)
Subscribed by non-controlling interests of a subsidiary company - RNCPS	94,526	0
Proceeds from issuance of shares pursuant to exercise of warrants	2,797	0
Net cash from / (used in) financing activities	<u>96,662</u>	<u>(14,350)</u>
Net change in cash and cash equivalents	<u>(27,782)</u>	<u>(12,357)</u>
Effect of exchange rate changes on cash and cash equivalents	323	63
Cash and cash equivalents at beginning of the financial period	<u>11,594</u>	<u>2,909</u>
Cash and cash equivalents at end of the financial period	<u>(15,865)</u>	<u>(9,385)</u>

Cash and cash equivalents at the end of the financial period comprise of the following :

	As at	As at
	30.09.15	30.09.14
	RM'000	RM'000
Cash and cash equivalents	2,450	3,013
Bank overdrafts	(18,315)	(12,398)
	<u>(15,865)</u>	<u>(9,385)</u>

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014)



NOTES TO THE INTERIM FINANCIAL REPORT

PART A : EXPLANATORY NOTES AS PER MFRS 134

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards ("MFRS") No. 134: Interim Financial Reporting and paragraph 9.22 of the Main Reporting Standards Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2014.

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

Amendment to MFRS 116 and MFRS 138 *Clarification of Acceptable Methods of Depreciation and Amortisation*
Amendments to MFRSs *Annual Improvements 2012 - 2014 Cycle*
MFRS 14 *Regulatory Deferral Accounts*
Amendments to MFRS 11 *Accounting for Acquisitions of Interest in Joint Operations*
Amendment to MFRS 116 and MFRS 141 *Agriculture: Bearer Plants*
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
Amendments to MFRS 10, MFRS 12 and MFRS 128 *Investment Entities: Applying the Consolidation Exception*
Amendments to MFRS 101 *Disclosure Initiative*
Amendments to MFRS 127 *Equity Method in Separate Financial Statements*
MFRS 15 *Revenue from Contracts with Customers*
MFRS 9 *Financial Instruments*

A2. Auditors' Report

The auditors' report on the financial statements for the financial year ended 31 December 2014 was not subject to any qualification.

A3. Seasonal and Cyclical factors

Other than solar segment, the Group's products are subject to some seasonality whereby production has slight improvements in the first quarter of the year. Production runs normally from the second quarter and peaks in third and fourth quarters before the major festivals such as Hari Raya, Christmas day, New Year and Chinese New Year.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows because of their nature, size, or incidence for the current quarter under review and financial year to date.

A5. Material Changes in Estimates

There were no other changes in accounting estimates of amounts reported in prior interim periods or the current financial period or changes in estimates of amounts reported in prior financial years.

A6. Issuances and repayment of debt and equity securities

For the financial period to date, there was no issuances, cancellations, repurchases, resale and repayments of debt and equity securities, save for the disclosure below:

- Issuance of 11,188,762 new ordinary shares of RM0.25 each pursuant to the exercise of warrants at RM0.25 per share. The total cash proceeds arising from the exercise of warrants during the current financial period amounted to RM2,797,190.

A7. Dividend paid

A first and final single tier dividend of 1 sen per ordinary share for the financial year ended 31 December 2014 was paid on 28 July 2015.

A8. Other Operating income

	Current Quarter 30.09.2015 RM'000	9 months Cumulative 30.09.2015 RM'000
Interest income	5	10
Gain on disposal of property and equipment	0	3
Deposit forfeited / Other income(receivables)	14	118
Income from TNB	51	456
Total other operating income	<u>70</u>	<u>587</u>



NOTES TO THE INTERIM FINANCIAL REPORT

A9. Operating expenses

	Current Quarter 30.09.2015 RM'000	9 months Cumulative 30.09.2015 RM'000
Advertisement	8	44
Depreciation	175	543
Foreign exchange loss	1,134	1,716
Rental	12	33
Salaries, allowances and bonus	1,911	5,616
Transportation	1,253	3,763
Water and electricity	24	67
General repairs and maintenance	206	770
Others	850	2,718
Total operating expenses	5,573	15,270

A10. Finance costs

	Current Quarter 30.09.2015 RM'000	9 months Cumulative 30.09.2015 RM'000
Interest on bank overdraft	161	309
Interest on bankers' acceptance	436	1,117
Interest on term loan	243	765
Interest on revolving credit	13	25
Others	151	254
Total finance costs	1,004	2,470

A11. Segmental Reporting

Segmental information is presented in respect of the Group's business segments:-

	<u>PVC Sheeting</u> RM'000	<u>PP Non- Woven</u> RM'000	<u>PVC Leather</u> RM'000	<u>Others</u> RM'000	<u>Solar</u> RM'000	<u>Group</u> RM'000
1 July 2015 to 30 September 2015						
Revenue						
External Revenue	39,221	2,497	1,230	6,033	55,812	104,793
Inter segment elimination	(5,063)	(58)	0	(302)	(39)	(5,462)
	34,158	2,439	1,230	5,731	55,773	99,331
Results						
Segment results	3,159	225	114	530	7,883	11,911
Other operating income	10	1	0	1	58	70
Finance costs	(463)	(33)	(17)	(77)	(414)	(1,004)
Profit before tax	2,706	193	97	454	7,527	10,977
Income tax expense	(1,694)	(121)	(61)	(284)	(1)	(2,161)
Profit for the period	1,012	72	36	170	7,526	8,816
1 July 2014 to 30 September 2014						
Revenue						
External Revenue	38,654	3,268	1,895	8,243	16,616	68,676
Inter segment elimination	(6,624)	(909)	0	(391)	0	(7,924)
	32,030	2,359	1,895	7,852	16,616	60,752
Results						
Segment results	4,644	342	275	1,138	(1,619)	4,780
Finance costs	(484)	(35)	(29)	(119)	(13)	(680)
Profit/(Loss) before tax	4,160	307	246	1,019	(1,632)	4,100
Income tax expense	(1,832)	(135)	(108)	(449)	(44)	(2,568)
Profit/(Loss) for the period	2,328	172	138	570	(1,676)	1,532



NOTES TO THE INTERIM FINANCIAL REPORT

A11. Segmental Reporting (Continued)

	<u>PVC</u> <u>Sheeting</u> RM'000	<u>PP Non-</u> <u>Woven</u> RM'000	<u>PVC</u> <u>Leather</u> RM'000	<u>Others</u> RM'000	<u>Solar</u> RM'000	<u>Group</u> RM'000
1 January 2015 to						
30 September 2015						
Revenue						
External Revenue	119,919	9,576	4,250	22,460	102,191	258,396
Inter segment elimination	(18,550)	(1,363)	0	(1,272)	(52)	(21,237)
	101,369	8,213	4,250	21,188	102,139	237,159
Results						
Segment results	13,546	1,097	568	2,831	2,079	20,121
Other operating income	90	7	4	19	467	587
Finance costs	(1,340)	(109)	(56)	(280)	(685)	(2,470)
Profit before tax	12,296	995	516	2,570	1,861	18,238
Income tax expense	(4,149)	(336)	(174)	(867)	(147)	(5,673)
Profit for the period	8,147	659	342	1,703	1,714	12,565

	<u>PVC</u> <u>Sheeting</u> RM'000	<u>PP Non-</u> <u>Woven</u> RM'000	<u>PVC</u> <u>Leather</u> RM'000	<u>Others</u> RM'000	<u>Solar</u> RM'000	<u>Group</u> RM'000
1 January 2014 to						
30 September 2014						
Revenue						
External Revenue	127,770	10,860	5,244	30,163	37,319	211,356
Inter segment elimination	(23,035)	(3,147)	0	(2,071)	0	(28,253)
	104,735	7,713	5,244	28,092	37,319	183,103
Results						
Segment results	15,101	1,112	756	4,051	(7,283)	13,737
Other operating income	91	7	4	25	6,885	7,012
Finance costs	(1,575)	(116)	(79)	(423)	(13)	(2,206)
Profit/(Loss) before tax	13,617	1,003	681	3,653	(411)	18,543
Income tax expense	(4,300)	(317)	(215)	(1,153)	(53)	(6,038)
Profit/(Loss) for the period	9,317	686	466	2,500	(464)	12,505

A12. Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment by the Group since the last audited financial statements for the financial year ended 31 December 2014.

A13. Subsequent Events

There were no material events between the end of the reporting quarter and the date of this announcement.

A14. Changes In The Composition of The Group

As at 05 June 2015, TS Solartech Sdn Bhd ("TS Solartech"), was a 68.09%-owned subsidiary of Tek Seng. Pursuant to the proposed conversion of Non-Cumulative Redeemable Preference Shares into 216,780,000 ordinary shares of RM 1 each ("Proposed Conversion"), Tek Seng's equity interest in TS Solartech will be reduced to 50.69% and Solartech Energy Corp. ("SEC" or the "Investor") equity interest in TS Solartech will increase from 20.92% to 42.12% whereas other non-controlling shareholders' shareholdings will be reduced from 10.99% to 7.19%. TS Solartech does not have any subsidiary or associate company.

The Company completed the proposed conversion on 1 July 2015.

A15. Contingent Liabilities

Secured corporate guarantees given to licensed banks for facilities granted to subsidiaries	146,258
Unsecured corporate guarantees given to suppliers of subsidiaries	14,670
	<u>160,928</u>



NOTES TO THE INTERIM FINANCIAL REPORT

A16. Capital Commitments

The amount of commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 September 2015 is as follows :-

	RM'000
Contracted but not provided for	23,139

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

B1. Review of Performance

a) Current Year-to date vs. Previous Year-to-date

For the financial period ended 30 September 2015, the Group recorded a revenue of RM237.2 million while profit before tax was recorded at RM18.2 million. As compared to corresponding period of 30 September 2014, the revenue has increased by RM54 million but the Group's profit before tax has decreased by RM0.3 million as a result of higher realised forex loss and lower other operating income.

Performance of the respective operating business segments for the period ended 30 September 2015 as compared to the previous year is analysed as follows:-

- 1) Sheeting - The decrease in profit before tax by RM1.3 million to RM12.3 million was mainly due to lower sales volume and realised forex loss.
- 2) PP Non Woven - The slightly decrease in profit before tax by RM8,000 to RM995,000 was mainly due to realised forex loss .
- 3) PVC Leather - The decrease in profit before tax by RM165,000 to RM516,000 was mainly due to lower sales volume and realised forex loss.
- 4) Others - The decrease in profit before tax by RM1.1 million to RM2.6 million was mainly due to lower sales volume and realised forex loss.
- 5) Solar - The increase in profit before tax by RM2.3 million was mainly due to higher sales volume.

b) Current Quarter vs. Previous Year Corresponding Quarter

For the current quarter, the Group recorded a revenue of RM99.3 million while profit before tax was recorded at RM11 million. The major contributor of the Group's revenue was from Solar, which contributed approximately 56.1% towards the current quarter. As compared to corresponding quarter of 30 September 2014, the revenue has increased by RM38.6 million and the Group's profit before tax has increased by RM6.9 million as a result of higher revenue.

Performance of the respective operating business segments for the current quarter ended 30 September 2015 as compared to the previous corresponding quarter is analysed as follows:-

- 1) Sheeting - The decrease in profit before tax by RM1.5 million to RM2.7 million was mainly due to unrealised forex loss.
- 2) PP Non Woven - The decrease in profit before tax by RM114,000 to RM193,000 was mainly due to unrealised forex loss.
- 3) PVC Leather - The decrease in profit before tax by RM149,000 to RM97,000 was mainly due to lower sales volume and unrealised forex loss.
- 4) Others - The decrease in profit before tax by RM565,000 to RM454,000 was mainly due to lower sales volume and unrealised forex loss.
- 5) Solar - The increase in profit before tax by RM9.2 million to RM7.5 million was mainly due to higher sales volume.

B2. Variation of Results Against Preceding Quarter

A comparison of the quarterly results of the current and preceding quarter is as follows:

	Current Quarter 01/07/15-30/09/15 RM'000	Preceding Quarter 01/04/15-30/06/15 RM'000
Profit before tax	10,977	4,541
Total comprehensive income for the period	8,816	2,553

The Group's profit before tax for the current quarter is RM11 million which is increased by RM6.5 million from profit before tax RM4.5 million as recorded in the preceding quarter. This was mainly due to increase in revenue and solar segment started to contribute profit to the Group.



NOTES TO THE INTERIM FINANCIAL REPORT

B3. Prospects

The Board of Directors foresees the performance of the Group for 2016 to remain stable for its PVC business although it may be affected by fluctuation in the price of raw materials as a result of the market uncertainty and the impact from the weakening Ringgit. TS Solartech Sdn Bhd is expected to contribute significantly to the revenue and profit of the Group. However, the Group will be taking cautious approach to mitigate the exposure by improving its operational efficiency, product quality and product innovation as a positive step forward to sustain the Group's business growth and success. The Group will also look into exploring new market share globally.

B4. Variance of Actual and Forecast Revenue

Not applicable.

B5. Income Tax Expense

	Current Quarter 30.09.15 RM'000	9 months Cumulative 30.09.15 RM'000
Current tax expense		
- current	688	2,547
- prior years	617	617
Deferred tax expense		
Origination and reversal of temporary differences		
- current	856	2,509
Total tax expense	2,161	5,673

The Group's effective tax rate for the current period was lower than the statutory tax rate of 25% due to double deduction claimed on certain eligible expenditure, claims on reinvestment allowances and others tax allowances by subsidiary Companies.

B6. Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and/or properties for the current quarter and financial year to date.

B7. Status of Corporate Proposal

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

B8. Group Borrowings

The Group's borrowings as at 30 September 2015 were as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term			
Bank overdrafts	18,315	0	18,315
Bankers' acceptance	33,563	0	33,563
On-shore foreign currency financing	4,897	0	4,897
On-shore foreign currency loan	1,584	0	1,584
Revolving credit	1,556	0	1,556
Term loan	1,328	0	1,328
	61,243	0	61,243
Long term			
Term loan	14,687	0	14,687
	14,687	0	14,687
Total borrowings	75,930	0	75,930
Borrowings denominated in foreign currency:		USD'000	RM'000 Equivalent
On-shore foreign currency financing		1,101	4,897
On-shore foreign currency loan		356	1,584
Revolving credit		350	1,556
		2,807	8,037



NOTES TO THE INTERIM FINANCIAL REPORT

B9. Government Fund

The Government fund is obtained from the Northern Corridor Implementation Authority, Malaysia as a soft loan. It is unsecured, interest free and repayable in two (2) yearly instalments as follows:

- (i) RM1,000,000 on or before 31 December 2015; and
- (ii) RM1,000,000 on or before 31 December 2016

The Government fund is denominated in RM.

B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B11. Material Litigation

The Group is not engaged in any material litigation as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B12. Breakdown of Realised and Unrealised Profits of the Group

	At end of current financial quarter 30.09.2015 RM'000	At end of previous financial year 31.12.2014 RM'000
Total retained earnings of Tek Seng Holdings Berhad and its subsidiaries :		
- Realised	113,987	234,304
- Unrealised	(4,379)	(2,636)
	109,608	231,668
Less : Consolidation adjustments	(10,283)	(168,559)
Total Group retained earnings as per consolidated accounts	99,325	63,109

B13. Earnings Per Share

(a) Basic Earnings Per Share

The basic earnings per share for the current financial quarter and current financial year-to-date had been calculated by dividing the Group's profit for the period attributable to equity holders of the Company by the weighted average number of shares in issue.

	Individual Current Quarter 30.09.15	9 Months Cumulative To Date 30.09.15
Profit for the period attributable to ordinary equity holders of the Company (RM'000)	5,037	10,859
Weighted average number of ordinary shares of RM0.25 each in issue ('000)	250,291	246,421
Basic Earnings Per Share based on weighted average number of ordinary shares of RM0.25 each in issue (sen)	2.01	4.41

The weighted average number of ordinary shares used in the denominator in calculating basic earnings per share was determined as follows:

	Individual Current Quarter 30.09.15 '000	9 Months Cumulative To Date 30.09.15 '000
Number of ordinary shares at beginning of the period	240,000	240,000
Effect of shares issued pursuant to exercise of warrants	10,291	6,421
Weighted average number of ordinary shares	250,291	246,421



NOTES TO THE INTERIM FINANCIAL REPORT

B13. Earnings Per Share (Continued)

(b) Diluted Earnings per share

The diluted earnings per share had been calculated by dividing the Group's profit for the period attributable to the equity holders of the Company by the weighted average number of shares that would have been in issue upon full exercise of the remaining options under the warrants, adjusted for the number of such shares that would have been issued at fair value, calculated as follows:

	Individual Current Quarter 30.09.15	9 Months Cumulative To Date 30.09.15
Profit for the period attributable to ordinary equity holders of the Company (RM'000)	5,037	10,859
Weighted average number of ordinary shares of RM0.25 each in issue ('000)	298,875	300,277
Diluted Earnings Per Share based on weighted average number of ordinary shares of RM0.25 each in issue (sen)	1.69	3.62

The weighted average number of ordinary shares used in the denominator in calculating diluted earnings per share was determined as follows:

	Individual Current Quarter 30.09.15 '000	9 Months Cumulative To Date 30.09.15 '000
Weighted average number of ordinary shares as per basic earnings per share	250,291	246,421
Effect of potential exercise of warrants	48,584	53,856
Weighted average number of ordinary shares	298,875	300,277

B14. Provision of Financial Assistance

(a) There has been no additional financial assistance provided pursuant to Paragraph 8.23 of the Main Market Listing Requirement during the current quarter.

(b) The aggregate amount of financial assistance provided during the current quarter was as follows:

<u>Type of Financial Assistance</u>	Limit of Amount USD'000
Corporate Guarantee for ordinary course of business of a 50.69% owned Subsidiary.	1,300
There was no financial impact on the Group arising from the financial assistance provided.	(equivalent to approximately RM5 million at exchange rate of RM3.85)

B15. Reviews By External Auditors

The Board had engaged the external auditors to review and report on the condensed consolidated financial statements of Tek Seng Holdings Bhd for the third quarter ended 30 September 2015 in accordance with International Standard on Review Engagements 2410 (ISRE2410), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

The external auditors reported to the Board that nothing has come to their attention that causes them to believe that the said condensed consolidated financial statements were not prepared, in all material respects, in accordance with MFRS134 : Interim Financial Reporting in Malaysia. The report was made to the Board in accordance to the terms of reference with the external auditors and for no other purpose.

By order of the Board

TEK SENG HOLDINGS BERHAD

**LOH KOK BENG
EXECUTIVE CHAIRMAN**

Dated : 05 November 2015