

**A-Rank Berhad**  
(Incorporated in Malaysia)

**Condensed Consolidated Statement Of Financial Position**  
**As at 30 April 2014**  
(The figures have not been audited)

	<b>As at 30-Apr-14 RM'000</b>	<b>(Audited) As at 31-Jul-13 RM'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	69,154	70,960
Intangible asset	2,722	2,722
Investments in an associate	3	-
	<u>71,879</u>	<u>73,682</u>
<b>Current assets</b>		
Inventories	37,158	32,581
Trade and other receivables	44,584	36,521
Derivative financial assets	-	1,035
Current tax assets	-	223
Short term deposits	710	-
Cash and bank balances	4,670	3,157
	<u>87,122</u>	<u>73,517</u>
<b>Total Assets</b>	<u>159,001</u>	<u>147,199</u>
<b>Equity and Liabilities</b>		
Share capital	60,000	60,000
Retained earnings	18,002	14,196
Equity attributable to owners of the parent	<u>78,002</u>	<u>74,196</u>
Non-controlling interest	2,092	1,827
<b>Total equity</b>	80,094	76,023
<b>Non-current liabilities</b>		
Borrowings	1,790	1,924
Deferred tax liabilities	8,439	7,534
	<u>10,229</u>	<u>9,458</u>
<b>Current liabilities</b>		
Trade and other payables	18,051	15,168
Derivative financial liabilities	9	11
Borrowings	50,285	46,513
Current tax liabilities	333	26
	<u>68,678</u>	<u>61,718</u>
<b>Total liabilities</b>	78,907	71,176
<b>Total Equity and Liabilities</b>	<u>159,001</u>	<u>147,199</u>
	<b>RM</b>	<b>RM</b>
Net assets per share based on 120,000,000 ordinary shares of RM0.50 each	<u>0.65</u>	<u>0.62</u>

These condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 July 2013.

**A-Rank Berhad**  
(Incorporated in Malaysia)

**Condensed Consolidated Statement Of Comprehensive Income**  
**For The Period Ended 30 April 2014**  
**(The figures have not been audited)**

	Current quarter ended		Cumulative period ended	
	30-Apr-14 RM'000	30-Apr-13 RM'000	30-Apr-14 RM'000	30-Apr-13 RM'000
Revenue	114,546	108,422	363,952	303,744
Operating expenses	(111,848)	(106,025)	(354,952)	(297,186)
Other operating income	90	26	167	356
Profit from operations	<u>2,788</u>	<u>2,423</u>	<u>9,167</u>	<u>6,914</u>
Finance costs	(357)	(306)	(981)	(934)
Share of profit in an associate	-	-	-	-
Profit before taxation	<u>2,431</u>	<u>2,117</u>	<u>8,186</u>	<u>5,980</u>
Taxation	(454)	(152)	(1,415)	(586)
Profit for the financial period	<u>1,977</u>	<u>1,965</u>	<u>6,771</u>	<u>5,394</u>
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	<u><u>1,977</u></u>	<u><u>1,965</u></u>	<u><u>6,771</u></u>	<u><u>5,394</u></u>
Profit attributable to:				
Owner of the Parent	1,921	1,969	6,506	5,398
Non-controlling interest	56	(4)	265	(4)
	<u><u>1,977</u></u>	<u><u>1,965</u></u>	<u><u>6,771</u></u>	<u><u>5,394</u></u>
Total comprehensive income attributable to:				
Owner of the Parent	1,921	1,969	6,506	5,398
Non-controlling interest	56	(4)	265	(4)
	<u><u>1,977</u></u>	<u><u>1,965</u></u>	<u><u>6,771</u></u>	<u><u>5,394</u></u>
Net earnings per share attributable to ordinary shareholders (sen):				
- Basic	<u>1.60</u>	<u>1.64</u>	<u>5.42</u>	<u>4.50</u>
- Diluted	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

These condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2013.

**A-Rank Berhad**  
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**Condensed Consolidated Statement Of Changes In Equity**  
**For The Period Ended 30 April 2014**  
**(The figures have not been audited)**

	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total attributable to owners of the parent RM'000	Non- controlling interest RM'000	Total equity RM'000
Balance as at 1 Aug 2012	40,000	716	28,491	69,207	-	69,207
Profit for the financial period	-	-	5,398	5,398	(4)	5,394
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	5,398	5,398	(4)	5,394
Transactions with owners:						
Dividend paid	-	-	(2,400)	(2,400)	-	(2,400)
Issuance of shares in respect of Bonus Issue	20,000	(716)	(19,284)	-	-	-
Acquisition of a subsidiary	-	-	-	-	450	450
Total Transactions with owners	20,000	(716)	(21,684)	(2,400)	450	(1,950)
Balance as at 30 Apr 2013	<u>60,000</u>	<u>-</u>	<u>12,205</u>	<u>72,205</u>	<u>446</u>	<u>72,651</u>
Balance as at 1 Aug 2013	60,000	-	14,196	74,196	1,827	76,023
Profit for the financial period	-	-	6,506	6,506	265	6,771
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	6,506	6,506	265	6,771
Transactions with owners:						
Dividend paid	-	-	(2,700)	(2,700)	-	(2,700)
Total Transactions with owners	-	-	(2,700)	(2,700)	-	(2,700)
Balance as at 30 Apr 2014	<u>60,000</u>	<u>-</u>	<u>18,002</u>	<u>78,002</u>	<u>2,092</u>	<u>80,094</u>

These condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 July 2013.

**A-Rank Berhad**  
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**Condensed Consolidated Statement Of Cash Flow**  
**For The Period Ended 30 April 2014**  
**(The figures have not been audited)**

	<b>Period ended 30-Apr-14 RM'000</b>	<b>Period ended 30-Apr-13 RM'000</b>
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	8,186	5,980
Adjustments for:		
Interest income	(46)	(23)
Interest expenses	981	934
Depreciation of property, plant and equipment	4,001	3,461
Gain on disposal of property, plant and equipment	(75)	(80)
Plant and equipment written off	23	-
Fair value adjustments on derivative liabilities	1,033	(312)
Operating profit before working capital changes	14,103	9,960
Changes in working capital		
Inventories	(4,577)	1,968
Trade and other receivables	(8,063)	(6,643)
Trade and other payables	2,883	1,358
Cash generated from operations	4,346	6,643
Interest paid	(3)	(4)
Income tax paid	19	(5)
<b>Net cash generated from operating activities</b>	<b>4,362</b>	<b>6,634</b>
<b>Cash Flows from Investing Activities</b>		
Interest received	46	23
Acquisition of business in a subsidiary	-	(9,343)
Acquisition of investment in an associate	(3)	-
Purchase of property, plant and equipment	(2,299)	(5,268)
Proceed from disposal of property, plant and equipment	157	80
<b>Net cash used in investing activities</b>	<b>(2,099)</b>	<b>(14,508)</b>
<b>Cash Flows from Financing Activities</b>		
Ordinary share capital contributed by non-controlling interest of a subsidiary	-	4,050
Net movements in bank borrowings	3,638	8,880
Dividend paid	(2,700)	(2,400)
Interest paid	(978)	(930)
<b>Net cash (used in)/generated from financing activities</b>	<b>(40)</b>	<b>9,600</b>
Net increase in cash and cash equivalents	2,223	1,726
Cash and cash equivalents at beginning of financial period	3,157	4,416
Cash and cash equivalents at end of financial period	<u>5,380</u>	<u>6,142</u>
<b>Cash and cash equivalents at end of financial period comprise of :</b>		
Short term deposits	710	5,942
Cash and bank balances	4,670	200
	<u>5,380</u>	<u>6,142</u>

These condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 July 2013.

**A-Rank Berhad**  
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**Notes To The Financial Statements**  
**For The Period Ended 30 April 2014**

**A Explanatory Notes: FRS 134**

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**A 1 Basis of preparation**

The condensed financial statements are unaudited and have been prepared in accordance with requirement of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Securities")'s Listing Requirements. This Interim Financial Statements also complies with ISA 34: Interim Financial Reporting issued by the International Accounting Standard Board ("IASB").

The condensed financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2013. The explanatory notes to these financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 July 2013.

**A 2 Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the financial statements for the year ended 31 July 2013 except for the adoption of the following new/revised MFRSs, Amendments to MFRSs and Issues Committee Interpretations (IC Interpretations"):

**a) Adoption of MFRSs and Amendments to MFRSs**

**i) Effective for the financial periods beginning on or after 1 January 2013**

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
Amendments to MFRS 7	Disclosure - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRSs	Annual Improvements 2009 – 2012 Cycle
Amendments to MFRS 10, MFRS 11 and MFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine

The adoption of the above standards and amendments do not have any significant financial impact on the financial statements of the Group.

**b) MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective**

The following MFRSs, Amendments to MFRSs and IC Interpretation issued by the MASB are relevant to the Group. However, they have not been early adopted in this set of financial statements.

**i) Effective for the financial periods beginning on or after 1 January 2014**

Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities
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

**ii) Effective for the financial periods beginning on or after 1 January 2015**

Mandatory Effective Date of MFRS 9 and Transition Disclosures	
MFRS 9	Financial Instruments

**A 3 Qualification of financial statements**

There was no qualification in the audited financial statements for the financial year ended 31 July 2013.

**A-Rank Berhad**  
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**Notes To The Financial Statements**  
**For The Period Ended 30 April 2014**

**A Explanatory Notes: FRS 134**

**A 4 Seasonal or cyclical factors**

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

**A 5 Unusual items affecting assets, liabilities, equity, net income or cash flows**

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

**A 6 Change in estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter and financial period-to-date.

**A 7 Debt and equity securities**

There were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities for the current quarter and financial period to-date.

**A 8 Dividend paid**

No dividend has been paid by the Company during the current quarter.

**A 9 Segmental information**

A-Rank Berhad is an investment holding company whilst its subsidiaries are engaged in the manufacturing and marketing of aluminium billets as well as the manufacturing and marketing of all types of aluminium and glass fittings and other related activities.

The Group has arrived at four (4) reportable segments that are organised and managed separately according to the geographical areas, which requires different business and marketing strategies. The reportable segments are Malaysia, South East Asia other than Malaysia, South Asia and Africa. Other operating segments comprise countries such as Kuwait and the Netherlands.

<b>Cumulative 30-Apr-14</b>	<b>Malaysia RM'000</b>	<b>South East Asia other than Malaysia RM'000</b>	<b>South Asia RM'000</b>	<b>Africa RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
Revenue from external customers	225,128	101,516	17,949	16,170	3,189	363,952
Profit from operations						9,167
Finance costs						(981)
Profit before taxation						8,186
Taxation						(1,415)
Profit after taxation						6,771

**A 10 Material events subsequent to the end of the current quarter**

There were no material events subsequent to the end of the current quarter that has not been reflected in the financial statements for the financial period to-date.

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**Notes To The Financial Statements**  
**For The Period Ended 30 April 2014**

**A Explanatory Notes: FRS 134**

**A 11 Changes in the composition of the Group**

There were no changes in the composition of the Group during the current financial period to-date save for the Company's announcement on 27 March 2014 that A-Rank Berhad has acquired an associate by acquisition of one existing ordinary share and subscription of 2,999 new ordinary shares of RM1.00 each in Ringgit Voyage Sdn Bhd.

**A 12 Contingent liabilities**

At the end of the current quarter, there are no material contingent liabilities which, upon becoming enforceable, may have a material impact on the financial position of the Group except for the following:

	<b>Company</b>	
	<b>As at 30-Apr-14 RM'000</b>	<b>As at 31-Jul-13 RM'000</b>
Corporate guarantees given to financial institutions for banking facilities utilised by subsidiaries	52,075	48,437
Corporate guarantee given to a third party for the supply of goods to a subsidiary	4	242
	52,079	48,679

The Company has provided corporate guarantees for banking facilities granted to its subsidiaries totalling RM109.6 million (31 July 2013: RM120.1 million).

The Company has also provided corporate guarantee to a creditor of a subsidiary for supply of goods of up to RM0.5 million (31 July 2013: RM0.5 million).

**A 13 Commitments**

**a) Capital commitments**

At the end of the current quarter, capital commitments of the Group are as follows:

	<b>As at 30-Apr-14 RM'000</b>	<b>As at 31-Jul-13 RM'000</b>
	Capital expenditures in respect of purchase of property, plant and equipment:	
- Authorised and contracted for	3,160	-
- Authorised but not contracted for	786	5,699
	3,946	5,699

**b) Operating lease commitments**

The Group had entered into non-cancellable lease agreements for machinery, resulting in future rental commitments which can, subject to certain terms in the agreements, be revised annually based on prevailing market rate. At the end of the current quarter, operating lease commitments of the Group are as follows:

	<b>As at 30-Apr-14 RM'000</b>	<b>As at 31-Jul-13 RM'000</b>
	- Not later than one year	611
- Later than one year and not later than five years	100	496
	711	1,357

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**Notes To The Financial Statements**  
**For The Period Ended 30 April 2014**

**B Additional information required by the Bursa Securities' Listing Requirements**

**B 1 Review of performance**

	Quarter Ended 30-Apr-14 RM'000	Quarter Ended 30-Apr-13 RM'000	Increase/(Decrease) RM'000	%
Revenue				
- South East Asia other than Malaysia	34,034	32,081	1,953	6.1
- South Asia	5,532	10,146	(4,614)	(45.5)
- Africa	4,363	7,449	(3,086)	(41.4)
- Others	483	886	(403)	-
	44,412	50,562	(6,150)	(12.2)
- Malaysia	70,134	57,860	12,274	21.2
Total revenue	114,546	108,422	6,124	5.6
Profit before taxation	2,431	2,117	314	14.8
Profit after taxation	1,977	1,965	12	0.6

The Group achieved an increase in revenue by 5.6% to RM114.5 million for the quarter under review compared to RM108.4 million for the corresponding quarter last year. The increase in revenue was contributed by higher business volume.

The Group registered an increase of 14.8% in profit before taxation to RM2.4 million for the current quarter compared to that of the corresponding quarter last year due mainly to higher revenue as well as improved margins.

The Group also achieved a slight improvement in profit after taxation of 0.6% for the quarter under review in line with the higher profit before taxation mitigated by the increase in both provision for income tax and deferred tax compared to the corresponding quarter last year.



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**Notes To The Financial Statements**  
**For The Period Ended 30 April 2014**

**B Additional information required by the Bursa Securities' Listing Requirements**

**B 2 Variance of results against preceding quarter**

	Quarter Ended 30-Apr-14 RM'000	Quarter Ended 31-Jan-14 RM'000	Increase/(Decrease) RM'000	%
Revenue				
- South East Asia other than Malaysia	34,034	33,793	241	0.7
- South Asia	5,532	4,377	1,155	26.4
- Africa	4,363	6,621	(2,258)	(34.1)
- Others	483	1,865	(1,382)	-
	44,412	46,656	(2,244)	(4.8)
- Malaysia	70,134	77,158	(7,024)	(9.1)
Total revenue	114,546	123,814	(9,268)	(7.5)
Profit before taxation	2,431	2,922	(491)	(16.8)
Profit after taxation	1,977	2,346	(369)	(15.7)

The Group's revenue decreased by 7.5% for the quarter under review compared to RM123.8 million registered for the preceding quarter. The decrease in revenue was contributed by a slight drop in business volume

The Group registered a decrease in profit before taxation of 16.8% for the current quarter under review compared to RM2.9 million achieved for the preceding quarter due mainly to lower business volume compounded by slightly lower margins.

The Group also reported a decrease in profit after taxation to RM2.0 million for the quarter under review from a profit after tax of RM2.4 million for the preceding quarter in line with the above.

**B 3 Prospects**

A broader economic recovery in the advanced economies and sustained growth in the emerging economies, including in Asia is expected to have positive spillovers on the rest of the world, in particular on economies with extensive trade linkages.

The Malaysian economy is expected to remain on a steady growth path in 2014, which will be supported by better performance in the external sector amid some moderation in domestic demand. Domestic demand will remain the key driver of growth, albeit at a more moderate pace, reflecting the continued public sector consolidation. However, the increase in electricity tariff and natural gas pricing and which has taken effect from 1 January and 1 May 2014 respectively has had adverse impacts on the Group's margins. The Group will continue to focus on improving its cost efficiencies to mitigate the effect of expected inflationary pressures following the rise in the electricity tariff and natural gas pricing.

Barring unforeseen circumstances, the Board is optimistic that the Group will remain profitable for the forthcoming quarter.

**B 4 Variance of actual and profit estimate**

Not applicable as no profit forecast was published.

**A-Rank Berhad**  
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**Notes To The Financial Statements**  
**For The Period Ended 30 April 2014**

**B Additional information required by the Bursa Securities' Listing Requirements**

**B 5 Notes to the Condensed Consolidated Statement Of Comprehensive Income**

	Current quarter ended		Cumulative period ended	
	30-Apr-14	30-Apr-13	30-Apr-14	30-Apr-13
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting):				
Interest income	(12)	(12)	(46)	(23)
Interest expenses	357	306	981	934
Depreciation of property, plant and equipment	1,356	1,255	4,001	3,461
Gain on disposal of property, plant and equipment	(73)	-	(75)	(80)
Plant and equipment written off	23	-	23	-
Loss/(gain) on foreign exchange, net				
- realised	(296)	(13)	(99)	(237)
- unrealised	-	-	-	-
Fair value adjustments on derivative liabilities	(107)	90	1,033	(312)

Other than the above, there were no allowance for impairment or write off of assets, inventories and receivables for the current quarter and financial period to-date as well as in the comparative corresponding periods last year.

**B 6 Taxation**

	Current quarter ended		Cumulative period ended	
	30-Apr-14	30-Apr-13	30-Apr-14	30-Apr-13
	RM'000	RM'000	RM'000	RM'000
Current income tax	154	2	510	6
Deferred tax	300	150	905	580
	<u>454</u>	<u>152</u>	<u>1,415</u>	<u>586</u>

The effective tax rate of the Group of 18.7% and 17.3% for the current quarter and financial period ended 30 April 2014 are lower than the statutory tax rate due principally to the availability of reinvestment allowances which arose from the subsidiary's capital expenditures in the current quarter and previous financial years as well as special export incentive brought forward.

**B 7 Status of corporate proposals**

There were no corporate proposals announced pending completion.

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**Notes To The Financial Statements**  
**For The Period Ended 30 April 2014**

**B Additional information required by the Bursa Securities' Listing Requirements**

**B 8 Borrowings**

	<b>As at 30-Apr-14 RM'000</b>	<b>As at 31-Jul-13 RM'000</b>
<b>Short term borrowings</b>		
Bankers' acceptances - unsecured	24,036	6,550
Foreign currency loans (Currency denominated in US Dollar) - unsecured (Approximately USD8.0 million. (31 July 2013: USD12.2 million))	26,071	39,792
Term loans - secured	178	171
	<u>50,285</u>	<u>46,513</u>
<b>Long term borrowing</b>		
Term loans - secured	1,790	1,924
	<u>52,075</u>	<u>48,437</u>

All borrowings are denominated in Malaysia Ringgit except as indicated above.

Term loan is secured by a corporate guarantee from the Company and a charge over a subsidiary's freehold land and buildings.

**B 9 Changes in material litigation**

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

**B 10 Dividend**

The Board of Directors has not proposed any dividend for this quarter ended 30 April 2014.

**B 11 Realised and Unrealised Profit or Losses**

The retained earnings as at the end of the reporting period may be analysed in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ('MIA Guidance') and the directive of Bursa Malaysia Securities Berhad.

	<b>As at 30-Apr-14 RM'000</b>	<b>As at 31-Jul-13 RM'000</b>
Total retained earnings of the Company and its subsidiaries:		
- realised	43,806	39,095
- unrealised	(4,825)	(3,920)
	<u>38,981</u>	<u>35,175</u>
Less: Consolidation adjustments	<u>(20,979)</u>	<u>(20,979)</u>
Total retained earnings	<u>18,002</u>	<u>14,196</u>

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**Notes To The Financial Statements**  
**For The Period Ended 30 April 2014**

**B Additional information required by the Bursa Securities' Listing Requirements**

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**B 12 Earnings per ordinary share**

**(a) Basic earnings per ordinary share**

The basic earnings per ordinary share for the current quarter under review and cumulative period are computed as follows:

	<b>Current quarter</b>	<b>Cumulative to-date</b>
Profit attributable to equity holders of the Company (RM'000)	1,921	6,506
Total share capital in issue during the current quarter/ cumulative period (No. of ordinary shares of RM 0.50 each) ('000)	120,000	120,000
Basic earnings per ordinary share (sen)	1.60	5.42

**(b) Diluted earnings per share**

There are no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the quarter under review and financial period to-date.

By Order of the Board

Ng Bee Lian  
Company Secretary

25 June 2014