

A-Rank Berhad

(Incorporated in Malaysia)

Condensed Consolidated Statement Of Financial Position**As at 31 January 2015****(The figures have not been audited)**

	As at 31-Jan-15 RM'000	(Audited) As at 31-Jul-14 RM'000
Assets		
Non-current assets		
Property, plant and equipment	70,952	69,650
Intangible asset	2,722	2,722
Investments in an associate	3	3
	<u>73,677</u>	<u>72,375</u>
Current assets		
Inventories	52,468	42,817
Trade and other receivables	43,305	40,599
Derivative financial assets	1,062	-
Deposit with licensed bank	1,001	-
Cash and bank balances	5,271	6,384
	<u>103,107</u>	<u>89,800</u>
Total assets	<u>176,784</u>	<u>162,175</u>
Equity and Liabilities		
Share capital	60,000	60,000
Retained earnings	23,106	20,994
Equity attributable to owners of the parent	83,106	80,994
Non-controlling interest	2,343	2,121
Total equity	85,449	83,115
Non-current liabilities		
Borrowings	1,665	1,745
Deferred tax liabilities	8,472	8,139
	<u>10,137</u>	<u>9,884</u>
Current liabilities		
Trade and other payables	23,982	19,348
Borrowings	57,022	48,797
Derivative financial liabilities	41	844
Current tax liabilities	153	187
	<u>81,198</u>	<u>69,176</u>
Total liabilities	91,335	79,060
Total equity and liabilities	<u>176,784</u>	<u>162,175</u>
	RM	RM
Net assets per share based on 120,000,000 ordinary shares of RM0.50 each	<u>0.69</u>	<u>0.67</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 2014.

A-Rank Berhad
(Incorporated in Malaysia)

Condensed Consolidated Statement Of Comprehensive Income
For The Period Ended 31 January 2015
(The figures have not been audited)

	Current quarter ended		Cumulative period ended	
	31-Jan-15 RM'000	31-Jan-14 RM'000	31-Jan-15 RM'000	31-Jan-14 RM'000
Revenue	122,756	123,814	252,560	249,406
Operating expenses	(119,963)	(120,601)	(246,347)	(243,104)
Other operating income	199	48	274	77
Profit from operations	<u>2,992</u>	<u>3,261</u>	<u>6,487</u>	<u>6,379</u>
Finance costs	(267)	(339)	(558)	(624)
Share of profit in an associate	-	-	-	-
Profit before taxation	<u>2,725</u>	<u>2,922</u>	<u>5,929</u>	<u>5,755</u>
Taxation	(443)	(576)	(895)	(961)
Profit for the financial period	<u>2,282</u>	<u>2,346</u>	<u>5,034</u>	<u>4,794</u>
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	<u><u>2,282</u></u>	<u><u>2,346</u></u>	<u><u>5,034</u></u>	<u><u>4,794</u></u>
Profit attributable to:				
Owners of the Parent	2,163	2,221	4,812	4,585
Non-controlling interest	119	125	222	209
	<u><u>2,282</u></u>	<u><u>2,346</u></u>	<u><u>5,034</u></u>	<u><u>4,794</u></u>
Total comprehensive income attributable to:				
Owners of the Parent	2,163	2,221	4,812	4,585
Non-controlling interest	119	125	222	209
	<u><u>2,282</u></u>	<u><u>2,346</u></u>	<u><u>5,034</u></u>	<u><u>4,794</u></u>
Net earnings per share attributable to ordinary shareholders (sen):				
- Basic	<u>1.80</u>	<u>1.85</u>	<u>4.01</u>	<u>3.82</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 2014.

A-Rank Berhad
(Incorporated in Malaysia)

Condensed Consolidated Statement Of Changes In Equity
For The Period Ended 31 January 2015
(The figures have not been audited)

	Share capital 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 2013	60,000	14,196	74,196	1,827	76,023
Profit for the financial period	-	4,585	4,585	209	4,794
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	4,585	4,585	209	4,794
Transactions with owners:					
Dividend paid	-	(2,700)	(2,700)	-	(2,700)
Total transactions with owners	-	(2,700)	(2,700)	-	(2,700)
Balance as at 31 Jan 2014	<u>60,000</u>	<u>16,081</u>	<u>76,081</u>	<u>2,036</u>	<u>78,117</u>
Balance as at 1 Aug 2014	60,000	20,994	80,994	2,121	83,115
Profit for the financial period	-	4,812	4,812	222	5,034
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	4,812	4,812	222	5,034
Transactions with owners:					
Dividend paid	-	(2,700)	(2,700)	-	(2,700)
Total transactions with owners	-	(2,700)	(2,700)	-	(2,700)
Balance as at 31 Jan 2015	<u>60,000</u>	<u>23,106</u>	<u>83,106</u>	<u>2,343</u>	<u>85,449</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 2014.

A-Rank Berhad
(Incorporated in Malaysia)

Condensed Consolidated Statement Of Cash Flow
For The Period Ended 31 January 2015
(The figures have not been audited)

	Period ended 31-Jan-15 RM'000	Period ended 31-Jan-14 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	5,929	5,755
Adjustments for:		
Interest income	(39)	(34)
Interest expenses	558	624
Depreciation of property, plant and equipment	2,700	2,645
Gain on disposal of property, plant and equipment	(3)	(2)
Property, plant and equipment written off	4	-
Fair value adjustments on derivative instruments	(1,865)	1,140
Operating profit before working capital changes	<u>7,284</u>	<u>10,128</u>
Changes in working capital		
Inventories	(9,651)	66
Trade and other receivables	(2,706)	4,562
Trade and other payables	4,634	2,879
Cash (used in)/generated from operations	<u>(439)</u>	<u>17,635</u>
Interest paid	-	(1)
Income tax paid	(596)	(53)
Net cash (used in)/generated from operating activities	<u>(1,035)</u>	<u>17,581</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	39	34
Purchase of property, plant and equipment	(4,006)	(936)
Proceed from disposal of property, plant and equipment	3	2
Net cash used in investing activities	<u>(3,964)</u>	<u>(900)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net movements in bank borrowings	8,145	(5,364)
Dividend paid	(2,700)	(2,700)
Interest paid	(558)	(623)
Net cash generated from/(used in) financing activities	<u>4,887</u>	<u>(8,687)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(112)	7,994
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	6,384	3,157
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u><u>6,272</u></u>	<u><u>11,151</u></u>
COMPOSITION OF CASH AND CASH EQUIVALENTS:		
Deposit with licensed bank	1,001	8,100
Cash and bank balances	5,271	3,051
	<u><u>6,272</u></u>	<u><u>11,151</u></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 2014.

A-Rank Berhad
(Incorporated in Malaysia)

Notes To The Financial Statements
For The Period Ended 31 January 2015

A Explanatory Notes: FRS 134

A 1 Basis of preparation

The condensed financial statements are unaudited and have been prepared in accordance with the requirement of Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Securities")'s Listing Requirements.

The condensed financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2014. 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 2014.

A 2 Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the financial statements for the year ended 31 July 2014 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

	Effective Date
Amendments to MFRS 10: <i>Consolidated Financial Statements: Investment Entities</i>	1 Jan 2014
Amendments to MFRS 12: <i>Disclosure of Interest in Other Entities: Investment Entities</i>	1 Jan 2014
Amendments to MFRS 127: <i>Separate Financial Statements (2011): Investment Entities</i>	1 Jan 2014
Amendments to MFRS 132: <i>Offsetting Financial Assets and Financial Liabilities</i>	1 Jan 2014
Amendments to MFRS 136: <i>Recoverable Amount Disclosures for Non-Financial Assets</i>	1 Jan 2014
Amendments to MFRS 139: <i>Novation of Derivatives and Continuation of Hedge Accounting</i>	1 Jan 2014
IC Interpretation 21: <i>Levies</i>	1 Jan 2014
Amendments to MFRS 119: <i>Defined Benefit Plans - Employee Contributions</i>	1 Jul 2014
Amendments to MFRSs: <i>Annual Improvements to MFRSs 2010 - 2012 Cycle</i>	1 Jul 2014
Amendments to MFRSs: <i>Annual Improvements to MFRSs 2011 - 2013 Cycle</i>	1 Jul 2014

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

	Effective Date
MFRS 14: <i>Regulatory Deferral Accounts</i>	1 Jan 2016
Amendments to MFRS 116 and MFRS 138: <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 Jan 2016
Amendments to MFRS 11: <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 Jan 2016
Amendments to MFRS 116 and MFRS 141: <i>Agriculture: Bearer Plants</i>	1 Jan 2016
MFRS 15: <i>Revenue from Contracts with Customers</i>	1 Jan 2017
Mandatory Effective Date of MFRS 9 and Transition Disclosures	Deferred
MFRS 9 Financial Instruments (2009)	Deferred
MFRS 9 Financial Instruments (2010)	Deferred
MFRS 9 Financial Instruments (Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139)	Deferred

The Group is in the process of assessing the impact of implementing these accounting standards, amendments and interpretations, since the effects would only be observable for future financial years.

A-Rank Berhad
(Incorporated in Malaysia)

Notes To The Financial Statements
For The Period Ended 31 January 2015

A Explanatory Notes: FRS 134

A 3 Qualification of financial statements

There was no qualification in the audited financial statements for the financial year ended 31 July 2014.

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

A first and final single tier dividend of 2.25 sen per ordinary share, amounting to RM2.7 million in respect of the previous financial year ended 31 July 2014 was paid on 31 December 2014.

A 9 Segmental information

A-Rank Berhad and its subsidiaries are principally engaged in investment holding, manufacturing and marketing of aluminium billets and manufacturing and marketing of all types of aluminium and glass fittings and other related activities.

The Group has arrived at 3 reportable segments in the current financial period to-date that are organised and managed separately according to the geographical areas which requires different business and marketing strategies. The reportable segments are Malaysia and South East Asia other than Malaysia. Other operating segments comprise countries in Africa, Europe, Middle East, and South Asia.

Cumulative 31-Jan-15	Malaysia RM'000	South East Asia other than Malaysia RM'000	Others RM'000	Total RM'000
Revenue from external customers	164,467	63,466	24,627	252,560
Profit from operations				6,487
Finance costs				(558)
Share of profit in an associate				-
Profit before taxation				5,929
Taxation				(895)
Profit after taxation				5,034

A-Rank Berhad
(Incorporated in Malaysia)

Notes To The Financial Statements
For The Period Ended 31 January 2015

A Explanatory Notes: FRS 134

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.

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:

	Company	
	As at 31-Jan-15 RM'000	As at 31-Jul-14 RM'000
Corporate guarantees given to financial institutions for banking facilities utilised by subsidiaries	58,687	50,542
Corporate guarantee given to a third party for the supply of goods to a subsidiary	37	7
	<u>58,724</u>	<u>50,549</u>

The Company has provided corporate guarantees for banking facilities granted to its subsidiaries totaling RM108.8 million (31 July 2014: RM108.8 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 2014: RM0.5 million).

A 13 Commitments

a) Capital commitments

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

	As at 31-Jan-15 RM'000	As at 31-Jul-14 RM'000
	Capital expenditures in respect of purchase of property, plant and equipment:	
- Authorised and contracted for	226	3,363
- Authorised but not contracted for	2,099	2,968
	<u>2,325</u>	<u>6,331</u>

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:

	As at 31-Jan-15 RM'000	As at 31-Jul-14 RM'000
	- Not later than one year	101
- Later than one year and not later than five years	91	87
	<u>192</u>	<u>497</u>

A 11 Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter and financial period to-date.

A-Rank Berhad
(Incorporated in Malaysia)

Notes To The Financial Statements
For The Period Ended 31 January 2015

B Additional information required by the Bursa Securities' Listing Requirements

B 1 Review of performance

	Quarter Ended 31-Jan-15 RM'000	Quarter Ended 31-Jan-14 RM'000	Increase/(Decrease) RM'000	%
Revenue				
- South East Asia other than Malaysia	26,995	33,793	(6,798)	(20.1)
- Others	9,994	12,863	(2,869)	(22.3)
	<u>36,989</u>	<u>46,656</u>	<u>(9,667)</u>	<u>(20.7)</u>
- Malaysia	85,767	77,158	8,609	11.2
Total revenue	<u>122,756</u>	<u>123,814</u>	<u>(1,058)</u>	<u>(0.9)</u>
Profit before taxation	2,725	2,922	(197)	(6.7)
Profit after taxation	2,282	2,346	(64)	(2.7)

The Group's revenue decreased slightly by 0.9% to RM122.8 million for the quarter under review compared to RM123.8 million for the corresponding quarter last year. The decrease in revenue was due to lower business volume although average selling prices were higher as a result of the increase in raw material costs.

The Group registered a decrease of 6.7% in profit before taxation to RM2.7 million for the current quarter compared to that of the corresponding quarter last year due mainly to lower business volume.

The Group also achieved a decrease in profit after taxation of 2.7% for the quarter under review.

A-Rank Berhad
(Incorporated in Malaysia)

Notes To The Financial Statements
For The Period Ended 31 January 2015

B Additional information required by the Bursa Securities' Listing Requirements

B 2 Variance of results against preceding quarter

	Quarter Ended 31-Jan-15 RM'000	Quarter Ended 31-Oct-14 RM'000	Increase/(Decrease) RM'000	%
Revenue				
- South East Asia other than Malaysia	26,995	36,471	(9,476)	(26.0)
- Others	9,994	14,633	(4,639)	(31.7)
	<u>36,989</u>	<u>51,104</u>	<u>(14,115)</u>	<u>(27.6)</u>
- Malaysia	85,767	78,700	7,067	9.0
Total revenue	<u>122,756</u>	<u>129,804</u>	<u>(7,048)</u>	<u>(5.4)</u>
Profit before taxation	2,725	3,204	(479)	(15.0)
Profit after taxation	2,282	2,752	(470)	(17.1)

The Group's revenue declined by 5.4% for the quarter under review compared to RM129.8 million registered for the preceding quarter. The decline in revenue was contributed by lower business volume.

The Group registered a drop in profit before taxation of 15.0% for the current quarter under review compared to RM3.2 million achieved for the preceding quarter due mainly to lower business volume.

The Group's profit after taxation also reduced by 17.1% for the quarter under review.

B 3 Prospects

The external environment in 2015 will be more challenging. While improving, downside risks to the global growth outlook remain given the continued weakness in a number of major economies. The sharp decline in the price of oil and the uncertainty over its future price path, coupled with the attendant effects on the prices of other commodities, further compounds the challenging global environment.

For 2015, we expect a slower growth at 5.2%, for the domestic economy. Domestic demand including private investment are expected to continue driving the growth. However, the recent volatility of aluminium prices and weak Malaysian Ringgit as well as the impact of the implementation of GST in Malaysia have added challenges to our pricing decision. Nonetheless, the Group will remain vigilant and be well prepared for the volatilities and challenges ahead. As usual, we will continuously focus on improving cost efficiencies and recovery to mitigate any adverse impacts on our business.

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
(Incorporated in Malaysia)

Notes To The Financial Statements
For The Period Ended 31 January 2015

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	
	31-Jan-15 RM'000	31-Jan-14 RM'000	31-Jan-15 RM'000	31-Jan-14 RM'000
Profit before taxation is arrived at after charging/(crediting):				
Interest income	(21)	(23)	(39)	(34)
Interest expenses	267	339	558	624
Depreciation of property, plant and equipment	1,357	1,347	2,700	2,645
Gain on disposal of property, plant and equipment	-	-	(3)	(2)
Property, plant and equipment written off	-	-	4	-
Realised loss on foreign exchange	19	92	190	197
Fair value adjustments on derivative instruments	(564)	(287)	(1,865)	1,140
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

B 6 Taxation

	Current quarter ended		Cumulative period ended	
	31-Jan-15 RM'000	31-Jan-14 RM'000	31-Jan-15 RM'000	31-Jan-14 RM'000
Current income tax	230	291	562	356
Deferred tax	213	285	333	605
	<u>443</u>	<u>576</u>	<u>895</u>	<u>961</u>

The effective tax rate of the Group of 16.3% and 15.1% for the current quarter and financial period ended 31 January 2015 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.

A-Rank Berhad
(Incorporated in Malaysia)

Notes To The Financial Statements
For The Period Ended 31 January 2015

B Additional information required by the Bursa Securities' Listing Requirements

B 8 Borrowings

	As at 31-Jan-15 RM'000	As at 31-Jul-14 RM'000
Short term borrowings		
Bankers' acceptances - unsecured	5,940	6,860
Foreign currency loans (Currency denominated in US Dollar) - unsecured (Approximately USD14.0 million. (31 July 2014: USD13.1 million))	50,903	41,757
Term loans - secured	179	180
	<u>57,022</u>	<u>48,797</u>
Long term borrowing		
Term loans - secured	1,665	1,745
	<u>58,687</u>	<u>50,542</u>

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

The term loans are 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 31 January 2015.

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.

	As at 31-Jan-15 RM'000	As at 31-Jul-14 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	48,983	46,497
- unrealised	(4,898)	(4,524)
	<u>44,085</u>	<u>41,973</u>
Less: Consolidation adjustments	(20,979)	(20,979)
Total retained earnings	<u>23,106</u>	<u>20,994</u>

A-Rank Berhad
(Incorporated in Malaysia)

Notes To The Financial Statements
For The Period Ended 31 January 2015

B Additional information required by the Bursa Securities' Listing Requirements

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:

	Current quarter	Cumulative to-date
Profit attributable to equity holders of the Company (RM'000)	2,163	4,812
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)	1.80	4.01

(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

27 March 2015