

A-Rank Berhad
(Incorporated in Malaysia)

Condensed Consolidated Statement of Financial Position
As at 31 October 2015
(The figures have not been audited)

	As at 31-Oct-15 RM'000	(Audited) As at 31-Jul-15 RM'000
Assets		
Non-current assets		
Property, plant and equipment	66,157	67,439
Intangible asset	2,722	2,722
Investment in an associate	3	3
	<u>68,882</u>	<u>70,164</u>
Current assets		
Inventories	33,872	31,008
Trade and other receivables	46,407	42,220
Derivative financial assets	-	125
Current tax assets	274	233
Deposits with licensed banks	4,180	15,000
Cash and bank balances	6,483	5,933
	<u>91,216</u>	<u>94,519</u>
Total assets	<u>160,098</u>	<u>164,683</u>
Equity and Liabilities		
Share capital	60,000	60,000
Retained earnings	32,336	28,610
Equity attributable to owners of the parent	<u>92,336</u>	<u>88,610</u>
Non-controlling interest	2,370	2,351
Total equity	<u>94,706</u>	<u>90,961</u>
Non-current liabilities		
Borrowings	1,521	1,569
Deferred tax liabilities	6,843	6,623
	<u>8,364</u>	<u>8,192</u>
Current liabilities		
Trade and other payables	24,930	17,715
Borrowings	31,925	47,454
Derivative financial liabilities	173	361
	<u>57,028</u>	<u>65,530</u>
Total liabilities	65,392	73,722
Total equity and liabilities	<u>160,098</u>	<u>164,683</u>
	RM	RM
Net assets per share based on 120,000,000 ordinary shares of RM0.50 each	<u>0.77</u>	<u>0.74</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 2015.

A-Rank Berhad

(Incorporated in Malaysia)

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

	Current quarter ended		Cumulative period ended	
	31-Oct-15 RM'000	31-Oct-14 RM'000	31-Oct-15 RM'000	31-Oct-14 RM'000
Revenue	127,223	129,804	127,223	129,804
Operating expenses	(124,583)	(126,384)	(124,583)	(126,384)
Other operating income	1,860	75	1,860	75
Profit from operations	4,500	3,495	4,500	3,495
Finance costs	(185)	(291)	(185)	(291)
Share of profit in an associate	-	-	-	-
Profit before taxation	4,315	3,204	4,315	3,204
Taxation	(570)	(452)	(570)	(452)
Profit for the financial period	3,745	2,752	3,745	2,752
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	3,745	2,752	3,745	2,752
Profit attributable to:				
Owners of the parent	3,726	2,649	3,726	2,649
Non-controlling interest	19	103	19	103
	3,745	2,752	3,745	2,752
Total comprehensive income attributable to:				
Owners of the parent	3,726	2,649	3,726	2,649
Non-controlling interest	19	103	19	103
	3,745	2,752	3,745	2,752
Net earnings per share attributable to ordinary shareholders (sen):				
- Basic	3.11	2.21	3.11	2.21
- Diluted	N/A	N/A	N/A	N/A

These condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2015.

A-Rank Berhad
(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes In Equity
For The Period Ended 31 October 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
As at 1-Aug-14	60,000	20,994	80,994	2,121	83,115
Profit for the financial period	-	2,649	2,649	103	2,752
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	2,649	2,649	103	2,752
As at 31-Oct-14	<u>60,000</u>	<u>23,643</u>	<u>83,643</u>	<u>2,224</u>	<u>85,867</u>
As at 1-Aug-15	60,000	28,610	88,610	2,351	90,961
Profit for the financial period	-	3,726	3,726	19	3,745
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	3,726	3,726	19	3,745
As at 31-Oct-15	<u>60,000</u>	<u>32,336</u>	<u>92,336</u>	<u>2,370</u>	<u>94,706</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 2015.

A-Rank Berhad
(Incorporated in Malaysia)

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

	Period ended 31-Oct-15 RM'000	Period ended 31-Oct-14 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,315	3,204
Adjustments for:		
Interest income	(39)	(18)
Interest expenses	185	291
Depreciation of property, plant and equipment	1,371	1,343
Gain on disposal of property, plant and equipment	-	(3)
Unrealised gain on foreign exchange	(368)	-
Fair value adjustments on derivative instruments	(63)	(1,301)
Operating profit before working capital changes	<u>5,401</u>	<u>3,516</u>
Changes in working capital		
Inventories	(2,864)	(6,375)
Trade and other receivables	(3,983)	(5,232)
Trade and other payables	7,215	4,846
Cash generated from/(used in) operations	<u>5,769</u>	<u>(3,245)</u>
Tax paid	(391)	(370)
Net cash generated from/(used in) operating activities	<u>5,378</u>	<u>(3,615)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	39	18
Purchase of property, plant and equipment	(89)	(2,050)
Proceed from disposal of property, plant and equipment	-	3
Net cash used in investing activities	<u>(50)</u>	<u>(2,029)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net movements in bank borrowings	(15,413)	6,822
Interest paid	(185)	(291)
Net cash (used in)/generated from financing activities	<u>(15,598)</u>	<u>6,531</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(10,270)	887
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	20,933	6,384
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>10,663</u>	<u>7,271</u>
COMPOSITION OF CASH AND CASH EQUIVALENTS:		
Deposits with licensed banks	4,180	3,700
Cash and bank balances	6,483	3,571
	<u>10,663</u>	<u>7,271</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 2015.

A-Rank Berhad
(Incorporated in Malaysia)

Notes to the Financial Statements
For The Period Ended 31 October 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 2015. 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 2015.

A 2 Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 July 2015 except for the adoption of the following new/revised MFRSs, Amendments to MFRSs and Issues Committee Interpretations (IC Interpretations"):

New MFRSs that have been issued, but not yet effective

	Effective Date
MFRS 14 <i>Regulatory Deferral Accounts</i>	1 Jan 2016
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	1 Jan 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 <i>Investment Entities: Applying the Consolidation Exception</i>	1 Jan 2016
Amendments to MFRS 101 <i>Disclosure Initiative</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
Amendments to MFRS 127 <i>Equity Method in Separate Financial Statements</i>	1 Jan 2016
Amendments to MFRSs <i>Annual Improvements to 2012 - 2014 Cycle</i>	1 Jan 2016
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 Jan 2018
MFRS 9 <i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>	1 Jan 2018

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

A 3 Qualification of financial statements

There was no qualification in the audited financial statements for the financial year ended 31 July 2015.

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-Rank Berhad
(Incorporated in Malaysia)

Notes to the Financial Statements
For The Period Ended 31 October 2015

A Explanatory Notes: FRS 134

A 8 Dividend paid

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

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 2 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-Oct-15	Malaysia RM'000	South East Asia other than Malaysia RM'000	Others RM'000	Total RM'000
Revenue from external customers	81,022	29,481	16,720	127,223
Profit from operations				4,500
Finance costs				(185)
Share of profit in an associate				-
Profit before taxation				4,315
Taxation				(570)
Profit after taxation				3,745

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-Rank Berhad
(Incorporated in Malaysia)

Notes to the Financial Statements
For The Period Ended 31 October 2015

A Explanatory Notes: FRS 134

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	As at
	31-Oct-15	31-Jul-15
	RM'000	RM'000
Corporate guarantees given to:		
- financial institutions for banking facilities utilised by subsidiaries	33,446	49,023
- a third party for the supply of goods to a subsidiary	-	-
	<u>33,446</u>	<u>49,023</u>

The Company has provided corporate guarantees for banking facilities granted to its subsidiaries totaling RM88.0 million and USD5.0 million (31 July 2015: RM88.0 million and USD5.0 million) and a creditor of a subsidiary for supply of goods of up to RM0.5 million (31 July 2015: 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	As at
	31-Oct-15	31-Jul-15
	RM'000	RM'000
Capital expenditures in respect of purchase of property, plant and equipment:		
- Authorised and contracted for	1,858	1,857
- Authorised but not contracted for	991	1,789
	<u>2,849</u>	<u>3,646</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	As at
	31-Oct-15	31-Jul-15
	RM'000	RM'000
- Not later than one year	230	229
- Later than one year and not later than five years	702	755
	<u>932</u>	<u>984</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 October 2015

B Additional information required by the Bursa Securities' Listing Requirements

B 1 Review of performance

	Quarter Ended 31-Oct-15 RM'000	Quarter Ended 31-Oct-14 RM'000	Increase/(Decrease)	
			RM'000	%
Revenue				
- South East Asia other than Malaysia	29,481	36,471	(6,990)	(19.2)
- Others	16,720	14,633	2,087	14.3
	<u>46,201</u>	<u>51,104</u>	<u>(4,903)</u>	<u>(9.6)</u>
- Malaysia	81,022	78,700	2,322	3.0
Total revenue	<u>127,223</u>	<u>129,804</u>	<u>(2,581)</u>	<u>(2.0)</u>
Profit before taxation	4,315	3,204	1,111	34.7
Profit after taxation	3,745	2,752	993	36.1

The Group's revenue decreased slightly by 2.0% to RM127.2 million for the quarter under review compared to RM129.8 million for the corresponding quarter last year. The decrease in revenue was contributed by a slight drop in business volume.

The Group registered an increase of 34.7% in profit before taxation to RM4.3 million for the current quarter compared to that of the corresponding quarter last year due mainly to better margins and an insurance claims received.

The Group also achieved an increase in profit after taxation of 36.1% for the quarter under review in line with the higher profit before taxation.

A-Rank Berhad
(Incorporated in Malaysia)

Notes to the Financial Statements
For The Period Ended 31 October 2015

B Additional information required by the Bursa Securities' Listing Requirements

B 2 Variance of results against preceding quarter

	Quarter Ended 31-Oct-15 RM'000	Quarter Ended 31-Jul-15 RM'000	Increase/(Decrease)	
			RM'000	%
Revenue				
- South East Asia other than Malaysia	29,481	16,581	12,900	77.8
- Others	16,720	15,276	1,444	9.5
	46,201	31,857	14,344	45.0
- Malaysia	81,022	83,618	(2,596)	(3.1)
Total revenue	127,223	115,475	11,748	10.2
Profit before taxation	4,315	1,933	2,382	123.2
Profit after taxation	3,745	3,759	(14)	(0.4)

The Group achieved an increase in revenue by 10.2% for the quarter under review compared to RM115.5 million registered for the preceding quarter. The increase in revenue was contributed by higher business volume.

The Group registered an increase of 123.2% in profit before taxation to RM4.3 million for the current quarter compared to that of the preceding quarter due mainly to higher revenue and improved margins as well as an insurance claims received.

The Group, however, reported a slight decrease in profit after taxation to RM3.7 million for the quarter under review from a profit after tax of RM3.8 million for the preceding quarter due mainly to lower taxation for the preceding quarter as a results of its overprovision of deferred taxation in prior years.

B 3 Prospects

On the global front, the major advanced economies continue to improve although the pace of recovery is modest. In Asia, growth was supported by the continued expansion of domestic demand amid weak export performance.

The Malaysian's economy expanded by 4.7% annually in the third quarter of 2015, a slight moderation from the 4.9% recorded in Q2 which is an indication that the local economy is robust. The depreciation of Ringgit Malaysia which has been weakening since the beginning of 2015 should result in our products being more competitive in the export markets. Nonetheless, the business environment remains challenging, exacerbated by the volatility of aluminium prices and the Malaysian Ringgit which will add uncertainties to our decision-making process particularly on pricing whilst the overall increase in costs of doing business in Malaysia will have adverse impacts on the Group's margins. 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 October 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-Oct-15	31-Oct-14	31-Oct-15	31-Oct-14
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting):				
Interest income	(39)	(18)	(39)	(18)
Interest expenses	185	291	185	291
Depreciation of property, plant and equipment	1,371	1,343	1,371	1,343
Gain on disposal of property, plant and equipment	-	(3)	-	(3)
Property, plant and equipment written off	-	4	-	4
(Gain)/Loss on foreign exchange				
- realised	(746)	171	(746)	171
- unrealised	(368)	-	(368)	-
Fair value adjustments on derivative instruments	(63)	(1,301)	(63)	(1,301)

B 6 Taxation

	Current quarter ended		Cumulative period ended	
	31-Oct-15	31-Oct-14	31-Oct-15	31-Oct-14
	RM'000	RM'000	RM'000	RM'000
Current income tax	350	332	350	332
Deferred tax	220	120	220	120
	<u>570</u>	<u>452</u>	<u>570</u>	<u>452</u>

The effective tax rate of the Group for the current quarter and financial period ended 31 October 2015 are lower than the statutory tax rate due principally to the availability of 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 October 2015

B Additional information required by the Bursa Securities' Listing Requirements

B 8 Borrowings

	As at 31-Oct-15 RM'000	As at 31-Jul-15 RM'000
Short term borrowings		
Bankers' acceptances - unsecured	8,600	7,100
Foreign currency loans (Currency denominated in US Dollar) - unsecured (Approximately USD5.4 million. (31 July 2015: USD10.5 million))	23,136	40,168
Term loans - secured	189	186
	<u>31,925</u>	<u>47,454</u>
Long term borrowing		
Term loans - secured	1,521	1,569
	<u>33,446</u>	<u>49,023</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 October 2015. At the Annual General Meeting held on 8 December 2015, the shareholders of the Company have approved the payment of a first and final single tier dividend of 2.25 sen per ordinary share, amounting to RM2.7 million in respect of the financial year ended 31 July 2015 which will be payable on 22 December 2015.

B 11 Realised and Unrealised Profit or Losses

The retained earnings as at the end of the reporting year 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-Oct-15 RM'000	As at 31-Jul-15 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	56,585	52,639
- unrealised	(3,270)	(3,050)
	<u>53,315</u>	<u>49,589</u>
Less: Consolidation adjustments	(20,979)	(20,979)
Total retained earnings	<u>32,336</u>	<u>28,610</u>

A-Rank Berhad
(Incorporated in Malaysia)

Notes to the Financial Statements
For The Period Ended 31 October 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 ended 31-Oct-15	Cumulative to-date ended 31-Oct-15
Profit attributable to equity holders of the Company (RM'000)	3,726	3,726
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)	3.11	3.11

(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 year to-date.

By Order of the Board

Ng Bee Lian
Company Secretary

8 December 2015