

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE SECOND (2nd) QUARTER ENDED 30 JUNE 2015

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	Unaudited Current year quarter 3 Months 30.06.2015 RM'000	Unaudited Preceding year quarter 3 Months 30.06.2014 RM'000	Unaudited Current year to date 6 Months 30.06.2015 RM'000	Unaudited Preceding year to date 6 Months 30.06.2014 RM'000 (Restated)
Revenue	123,832	159,707	314,822	244,132
Cost of sales	(97,036)	(123,217)	(249,963)	(179,183)
Gross profit	26,796	36,490	64,859	64,949
Other income	2,320	891	9,906	1,582
Administrative and other expenses	(19,473)	(15,929)	(42,544)	(29,017)
Finance costs	(3,324)	(4,667)	(7,274)	(9,260)
Profit before taxation	6,319	16,785	24,947	28,254
Taxation	(1,690)	(4,447)	(5,211)	(6,494)
Profit after taxation	4,629	12,338	19,736	21,760
Other comprehensive expenses				
Foreign currency translation	(4,612)	(4)	(21,838)	(6)
Other comprehensive expenses for the period	(4,612)	(4)	(21,838)	(6)
Total comprehensive income/(expenses)	17	12,334	(2,102)	21,754
Profit after tax attributable to:				
- Owners of the Company	4,635	12,349	19,756	21,777
- Non-controlling interests	(6)	(11)	(20)	(17)
	4,629	12,338	19,736	21,760
Total comprehensive income/(expenses) attributable to:				
- Owners of the Company	24	12,344	(2,085)	21,772
- Non-controlling interests	(7)	(10)	(17)	(18)
	17	12,334	(2,102)	21,754
Basic weighted average no. of ordinary shares ('000)	803,327	619,406	803,327	619,406
Earnings per share (sen):				
- Basic	0.58	1.99	2.46	3.52
- Diluted	0.56	1.53	2.39	2.71

N1 : The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period from 1 October 2013 to 31 December 2014 ("FPE 2014") and the accompanying explanatory notes attached to these interim financial statements.

N2 : In FPE 2014, the Group had changed the financial year end from 30 September to 31 December. Thus, the comparatives for the cumulative quarter consist of 6 months results beginning 1 January 2014 to 30 June 2014.

BARAKAH OFFSHORE PETROLEUM BERHAD
(980542-H)

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

	Unaudited As at 30.06.2015 RM'000	Audited As at 31.12.2014 RM'000
ASSETS		
NON-CURRENT ASSET		
Property, plant and equipment	299,154	302,349
CURRENT ASSETS		
Trade receivables	88,980	202,319
Other receivables, deposits and prepayment	21,236	6,770
Tax refundable	2,894	1
Fixed deposits with licensed banks	154,616	95,370
Cash and bank balances	84,444	153,200
	<u>352,170</u>	<u>457,660</u>
TOTAL ASSETS	<u>651,324</u>	<u>760,009</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	163,852	152,667
Share premium	63,255	62,684
Merger deficit	(71,909)	(71,909)
Employees' share option reserve	4,341	603
Redeemable convertible unsecured loan stocks ("RCULS")	941	4,145
Foreign exchange translation reserves	(45,334)	(23,493)
Retained profits	230,594	227,216
	<u>345,740</u>	<u>351,913</u>
Equity attributable to owners of the Company	345,740	351,913
Non-controlling interest	27	44
TOTAL EQUITY	<u>345,767</u>	<u>351,957</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	2,792	3,775
Long-term borrowings	198,103	183,203
RCULS	2,269	9,491
	<u>203,164</u>	<u>196,469</u>
CURRENT LIABILITIES		
Trade payables	48,966	82,719
Other payables and accruals	23,424	14,401
Provision for taxation	3,260	10,216
Short-term borrowings	24,245	100,041
Bank overdrafts	2,498	4,206
	<u>102,393</u>	<u>211,583</u>
TOTAL LIABILITIES	<u>305,557</u>	<u>408,052</u>
TOTAL EQUITY AND LIABILITIES	<u>651,324</u>	<u>760,009</u>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the FPE 2014 and the accompanying explanatory notes attached to these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
SECOND (2ND) QUARTER ENDED 30 JUNE 2015

	Unaudited Current year to date 6 Months 30.06.2015 RM'000	Unaudited Preceding year to date 6 Months 30.06.2014 RM'000 (Restated)
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	24,947	28,254
Adjustments for:-		
Depreciation of property, plant and equipment	10,051	8,312
Interest expense	7,090	9,234
Share-based payments	3,812	-
Interest income	(1,993)	(1,754)
Unrealised gain on foreign exchange	(7,396)	-
Bad debt written off	-	1,071
Property, plant and equipment written off	307	-
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Operating profit before working capital changes	36,818	45,117
Decrease/(Increase) in trade and other receivables	98,873	(20,881)
(Decrease)/Increase in trade and other payables	(41,108)	4,342
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CASH FROM OPERATIONS	94,583	28,578
Interest paid	(6,891)	(9,234)
Interest received	1,993	1,754
Income tax paid	(15,109)	(10,705)
	<hr/>	<hr/>
NET CASH FROM OPERATING ACTIVITIES	74,576	10,393
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CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(7,158)	(7,826)
Placement of deposits pledged	(22,523)	(23,278)
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NET CASH FOR INVESTING ACTIVITIES	(29,681)	(31,104)
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CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Repayment of hire purchase obligations	(178)	(5)
Drawdown of trust receipts	29,991	-
Repayment of term loans	(9,197)	(2,100)
Repayment of trust receipts	(97,464)	-
Proceeds from exercise of employees' share options	123	1,401
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NET CASH FOR FINANCING ACTIVITIES	(76,725)	(704)
	<hr/>	<hr/>
NET DECREASE OF CASH AND CASH EQUIVALENTS	(31,830)	(21,415)
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS	1,505	(5)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	169,953	99,914
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CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	139,628	78,494
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
SECOND (2ND) QUARTER ENDED 30 JUNE 2015 (CONT'D)

	Unaudited Current year to date 6 Months 30.06.2015 RM'000	Unaudited Preceding year to date 6 Months 30.06.2014 RM'000 (Restated)
Cash and cash equivalents comprise the following:		
- Cash and bank balances	84,444	69,802
- Fixed deposits placed with licensed banks	154,616	84,938
- Bank overdrafts	(2,498)	(9,154)
	236,562	145,586
Less: Deposits pledged to licensed banks	(96,934)	(67,092)
	139,628	78,494

N1 : *The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the FPE 2014 and the accompanying explanatory notes attached to these interim financial statements.*

N2 : *In FPE 2014, the Group had changed the financial year end from 30 September to 31 December. Thus, the comparatives preceding year to date consist of 6 months beginning 1 January 2014 to 30 June 2014.*

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**BARAKAH OFFSHORE PETROLEUM BERHAD
(980542-H)**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

	----- Attributable to owners of the Company -----									
	-----Non-distributable-----					Distributable				
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Employees' Share Option Reserve RM'000	RCULS RM'000	Foreign Exchange Translation Reserve RM'000	Retained Profits RM'000	Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
Balance as at 01.01.2015 (Audited)	152,667	62,684	(71,909)	603	4,145	(23,493)	227,216	351,913	44	351,957
Profit after taxation	-	-	-	-	-	-	19,756	19,756	(20)	19,736
Other comprehensive expenses for the financial period, net of taxation:										
- Foreign currency translation	-	-	-	-	-	(21,841)	-	(21,841)	3	(21,838)
Total comprehensive expenses	-	-	-	-	-	(21,841)	19,756	(2,085)	(17)	(2,102)
Contributions by and distribution to owners of the Company:										
Issuance of shares pursuant to:										
- Conversion of RCULS	11,155	404	-	-	(3,204)	-	-	8,355	-	8,355
- Employees' share option exercised	30	167	-	(74)	-	-	-	123	-	123
Employees' share options										
- Granted	-	-	-	3,812	-	-	-	3,812	-	3,812
Dividends	-	-	-	-	-	-	(16,378)	(16,378)	-	(16,378)
Total transactions with owners	11,185	571	-	3,738	(3,204)	-	(16,378)	(4,088)	-	(4,088)
Balance as at 30.06.2015	163,852	63,255	(71,909)	4,341	941	(45,334)	230,594	345,740	27	345,767

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015
(CONT'D)

	----- Attributable to owners of the Company -----									
	-----Non-distributable-----						Distributable			
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Employees' Share Option Reserve RM'000	RCULS RM'000	Foreign Exchange Translation Reserve RM'000	Retained Profits RM'000	Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
(Restated)										
Balance as at 01.01.2014	124,995	60,700	(71,909)	871	12,394	35	150,875	277,961	81	278,042
Profit after taxation	-	-	-	-	-	-	21,777	21,777	(17)	21,760
Other comprehensive expenses for the financial period, net of taxation:										
- Foreign currency translation	-	-	-	-	-	(5)	-	(5)	(1)	(6)
Total comprehensive income	-	-	-	-	-	(5)	21,777	21,772	(18)	21,754
Contributions by owners of the Company:										
Issuance of shares pursuant to:										
- Employees' share option exercised	431	1,201	-	(231)	-	-	-	1,401	-	1,401
Total transactions with owners	431	1,201	-	(231)	-	-	-	1,401	-	1,401
Balance as at 30.06.2014	125,426	61,901	(71,909)	640	12,394	30	172,652	301,134	63	301,197

N1 : The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the FPE 2014 and the accompanying explanatory notes attached to these interim financial statements.

N2 : In FPE 2014, the Group had changed the financial year end from 30 September to 31 December. Thus, the comparatives preceding year consist of 6 months beginning 1 January 2014 to 30 June 2014.

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134

A1. Accounting policies and methods of computation

The interim financial statements are unaudited and have been prepared in accordance with the MFRS 134: Interim Financial Reporting, Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”).

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those of the audited financial statements for the financial period from 1 October 2013 to 1 December 2014.

During the current financial period, the Company and its subsidiary companies (“Group”) has adopted the following new accounting standards and interpretations (including the consequential amendments):-

Annual Improvements to MFRSs 2010 - 2012 Cycle
Annual Improvements to MFRSs 2011 - 2013 Cycle

The adoption of the above standards and interpretations will not have any material impact on the financial position and performance of the Group.

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2017
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101: Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

A2. Auditors’ Report of preceding annual financial statements

The auditors’ report on the financial statements of the Group for the financial period from 1 October 2013 to 31 December 2014 was not subject to any qualification.

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134

A3. Seasonal or cyclical factors

The Group’s operations were not significantly affected by any seasonal or cyclical factor during the current quarter and financial year-to-date.

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

There were no significant unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year-to-date.

A5. Material changes in estimates

There were no material changes in estimates in the current quarter and current financial year-to-date.

A6. Debt and equity securities

There were no issuances, cancellation, repurchase, resale or repayment of debt or equity securities in the current quarter except for the following:-

- Share Capital

	Ordinary share of RM0.20 each No. of shares (‘000)	RM’000
Share capital – issued and fully paid up as at 01.04.2015	780,517	156,103
Employees’ share option exercised	146	29
Conversion of RCULS	38,599	7,720
Share capital as at 30.06.2015	819,262	163,852

A7. Dividends paid

There were no dividends paid or declared for the current quarter and financial year-to-date.

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134

A8. Segmental information

The Group’s revenue is derived from 2 business segments, namely:

	---Individual Quarter---		---Cumulative Quarter---	
	Unaudited Current year quarter 3 Months 30.06.2015 RM’000	Unaudited Preceding year quarter 3 Months 30.06.2014 RM’000	Unaudited Current year to date 6 Months 30.06.2015 RM’000	Unaudited Preceding year to date 6 Months 30.06.2014 RM’000 (Restated)
Pipeline and commissioning services; and	65,241	51,291	157,677	124,187
Installation and construction services	58,591	108,416	157,145	119,945
	123,832	159,707	314,822	244,132

No other segmental information such as segment assets, liabilities and results are presented as the Group is principally engaged in one industry, which is the oil and gas industry.

A9. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current quarter and financial year-to-date.

A10. Capital commitments

	As at 30.06.2015 RM’000
Property, plant and equipment:-	
Approved and contracted for	<u>8,707</u>

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134

A11. Changes in the composition of the Group

There were no material changes in the composition of the Group for the current quarter except for the following:-

- **Incorporation of PBJV Energy (Labuan) Limited (“PBJV Energy”)**

On 1 April 2015, the Company announced that it had on 31 March 2015 completed the incorporation of PBJV Energy, a company limited by shares, under the Labuan Companies Act 1990.

PBJV Energy, a wholly owned subsidiary of the Company was incorporated with issued and paid-up share capital of USD100 divided into 100 ordinary shares of USD1.00 each. The nature of business to be carried by PBJV Energy is in oil and gas exploration, development and production.

The incorporation of PBJV Energy is not expected to have any material effect on the Group’s earnings and net assets during the financial year to date.

A12. Contingent liabilities and contingent assets

The contingent liabilities of the Group comprise of the following:-

	As at 30.06.2015 RM’000
<u>Unsecured</u>	
Bank guarantees extended to clients	89,176
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There are no contingent assets as at the date of this report.

A13. Material events subsequent to the end of the quarter

There are no material events subsequent to the end of the current quarter up to the date of this report that have not been reflected in the financial statements for the current quarter and financial year-to-date.

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134

A14. Significant related party transactions

	---Individual Quarter---		---Cumulative Quarter---	
	Unaudited Current year quarter 3 Months 30.06.2015 RM’000	Unaudited Preceding year quarter 3 Months 30.06.2014 RM’000	Unaudited Current year to date 6 Months 30.06.2015 RM’000	Unaudited Preceding year to date 6 Months 30.06.2014 RM’000 (Restated)
Company in which certain Directors have interest				
Purchases	402	129	1,729	2,437
Donations *	150	150	300	300

- * As part of the Group’s Corporate Social Responsibility program, monthly donations are made to an orphanage home managed by Yayasan Amal Kasih Harmoni (“YAKH”) known as Rumah Kasih Harmoni, which is located in Paya Jaras, Selangor and currently houses 101 children from preschool to secondary school.

The donation is a related party transaction (“RPT”) by virtue of:

- i) Common directorships held by Nik Hamdan bin Daud in the Company and YAKH. Nik Hamdan bin Daud is also a major shareholder of the Company; and
- ii) Haniza binti Jaffar, a director of YAKH who is also a key management of the Group.

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B1. Review of performance

During the current financial period ended 30 June 2015, the Group recorded total revenue of RM314.82 million, which is an increase of 28.96% from the corresponding preceding year. The Group had also achieved a total profit before taxation of RM24.95 million, which is a slight decrease of 11.70% from the corresponding preceding year. The increase in revenue was mainly due to the new and ongoing Pre-commissioning works, ongoing Onshore Engineering, Procurement, Construction and Commissioning projects and Hook-up Commissioning works which were carried out during the current financial period.

Pipeline and commissioning services

For the current financial period ended 30 June 2015, this segment contributed RM157.68 million to the overall total revenue of RM314.82 million, with RM65.24 million generated during the current quarter. This is an increase of 27.20% compared to the corresponding quarter of the preceding year of RM51.29 million which can be attributed to the new and ongoing Pre-commissioning works that were carried out during the current quarter.

Installation and construction services

The revenue generated from this segment during the current financial period ended 30 June 2015 amounted to RM157.14 million, out of which RM58.59 million was generated during the current quarter. This is a reduction of 45.96% from the corresponding quarter of the preceding year, as a result of the near completion of projects and less number of work orders received for the Transportation and Installation (“T&I”) contracts during the current quarter.

B2. Comparison with immediate preceding quarter’s results

In the current quarter ended 30 June 2015, the Group reported a lower revenue by 35.16% and a lower profit before taxation by 66.08% compared with the immediate preceding quarter ended 31 March 2015. This decrease in the revenue reported was mainly due to the near completion and slowdown on the work orders received for the T&I contracts during the current quarter compared to the immediate preceding quarter ended 31 March 2015. The lower profit before taxation margin was due to some fixed operating costs that did not decrease in tandem with the lower revenue generated.

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B3. Commentary on prospects

The Group anticipates a challenging business environment for the remaining of the current financial year ended 31 December 2015. Major oil and gas players have been adjusting their capital and operating expenditure to the current low crude oil prices.

Nevertheless, as at year to date, the Group has managed to secure around RM150 million worth of new orders which should contribute positively to the current year and next financial years' results. As at 20 August 2015, the Group's outstanding order book stands at RM1.74 billion. Furthermore, the Group has been continuously tendering for new contracts and being pre-qualified for new projects. As such, the Board of Directors believe this would be able to sustain the Group moving forward.

B4. Variance of actual profit from forecast profit

The Group has not announced or disclosed any profit forecast or profit guarantee in any public documents.

B5. Profit before taxation

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	Unaudited Current year quarter 3 Months 30.06.2015 RM'000	Unaudited Preceding year quarter 3 Months 30.06.2014 RM'000	Unaudited Current year to date 6 Months 30.06.2015 RM'000	Unaudited Preceding year to date 6 Months 30.06.2014 RM'000 (Restated)
Profit before taxation is arrived at after charging/ (crediting):-				
Interest income	(963)	(809)	(1,993)	(1,754)
Interest expense	3,249	4,624	7,090	9,234
Depreciation of property, plant and equipment	5,053	4,202	10,051	8,312
Bad debt written off	-	-	-	1,071
Realised loss on foreign exchange	2,362	98	2,362	670
Unrealised gain on foreign exchange	(3,050)	-	(7,396)	-
Share-based payments	-	-	3,812	-
Property, plant and equipment written off	307	-	307	-
	<u>307</u>	<u>-</u>	<u>307</u>	<u>-</u>

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B6. Income tax expense

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	Unaudited Current year quarter 3 Months 30.06.2015 RM'000	Unaudited Preceding year quarter 3 Months 30.06.2014 RM'000	Unaudited Current year to date 6 Months 30.06.2015 RM'000	Unaudited Preceding year to date 6 Months 30.06.2014 RM'000 (Restated)
Current tax:				
- for the current period	1,696	4,447	5,260	6,494
	<u>1,696</u>	<u>4,447</u>	<u>5,260</u>	<u>6,494</u>
Deferred tax expense				
- for the current period	(6)	-	(49)	-
	<u>(6)</u>	<u>-</u>	<u>(49)</u>	<u>-</u>
	<u>1,690</u>	<u>4,447</u>	<u>5,211</u>	<u>6,494</u>

The effective tax rate for the financial period ended 30 June 2015 is approximately 20.89%, which is lower than the statutory tax rate of 25%.

B7. Status of corporate proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B8. Group borrowings

Total Group borrowings as at 30 June 2015 were as follows:-

Unaudited	Short term Secured RM'000	Long term Secured RM'000	As at 30.06.2015 Total RM'000
Term loans	14,011	196,667	210,678
Hire purchase	181	1,436	1,617
Bank overdrafts	2,498	-	2,498
Trust receipt	10,053	-	10,053
	26,743	198,103	224,846

Included in the borrowings is a foreign borrowing as follows:-

Unaudited	Short term Secured RM'000	Long term Secured RM'000	As at 30.06.2015 Total RM'000
United States Dollar	13,701	194,170	207,871

B9. Material litigation

There were no material litigations pending as at the date of this announcement.

B10. Dividends

No dividend was declared or recommended for payment by the Company for the current quarter under review.

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B11. Earnings per share

(a) Basic earnings per share

The basic earnings per share for the current quarter and for the financial year-to-date is computed by dividing the profit after taxation attributable to the owners of the Company by the weighted average number of ordinary shares in issue for the financial period.

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	Unaudited Current year quarter 3 Months 30.06.2015	Unaudited Preceding year quarter 3 Months 30.06.2014	Unaudited Current year to date 6 Months 30.06.2015	Unaudited Preceding year to date 6 Months 30.06.2014 (Restated)
Profit attributable to the owners of the Company (RM'000)	4,635	12,349	19,756	21,777
Weighted average number of ordinary shares in issue ('000)	803,327	619,406	803,327	619,406
Basic earnings per share (sen)	0.58	1.99	2.46	3.52

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B11. Earnings per share (Cont'd)

(b) Diluted earnings per share

The diluted earnings per share for the current quarter and for the financial year-to-date is arrived at by adjusting for the dilutive effects of all potential ordinary shares, such as the share options granted to employees and the RCULS issued, on the profit attributable to owners of the Company and the weighted average number of ordinary shares in issue for the financial period.

	--- Individual Quarter ---		--- Cumulative Quarter ---	
	Unaudited Current year quarter 3 Months 30.06.2015	Unaudited Preceding year quarter 3 Months 30.06.2014	Unaudited Current year to date 6 Months 30.06.2015	Unaudited Preceding year to date 6 Months 30.06.2014 (Restated)
Profit attributable to the owners of the Company (RM'000)	4,635	12,349	19,756	21,777
Interest expense on RCULS, net of tax (RM'000)	-	273	-	546
	<u>4,635</u>	<u>12,622</u>	<u>19,756</u>	<u>22,323</u>
Weighted average number of ordinary shares in issue ('000) (Basic)	803,327	619,406	803,327	619,406
Effect of assumed exercise of share options granted ('000)	6,365	5,978	6,365	5,978
Effect of conversion of RCULS ('000)	16,386	197,097	16,386	197,097
	<u>826,078</u>	<u>822,481</u>	<u>826,078</u>	<u>822,481</u>
Diluted earnings per share (sen)	<u>0.56</u>	<u>1.53</u>	<u>2.39</u>	<u>2.71</u>

QUARTERLY REPORT FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2015

B: ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA (PURSUANT TO PARA 9.22 AND PART A OF APPENDIX 9B)

B12. Disclosure of realised and unrealised profits/(loss)

The breakdown of the retained profits of the Group as at the current financial quarter and the preceding financial year into realised and unrealised profits/(losses) are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with 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, as follows:-

	Unaudited	Audited
	As at	As at
	30.06.2015	31.12.2014
	RM'000	RM'000
Total retained profits of the Group		
- Realised	259,427	246,227
- Unrealised	4,605	(269)
	<hr/>	<hr/>
	264,032	245,958
Add: Consolidated adjustments	(33,438)	(18,742)
	<hr/>	<hr/>
	230,594	227,216
	<hr/>	<hr/>