

LEWEKO RESOURCES BERHADCompany No. 568420-K
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	As At 30.6.2015 RM'000 (Unaudited)	As At 30.6.2014 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	17,294	17,317
Product development costs	2,413	2,632
Investment properties	16,158	10,130
Property development expenditure	5,366	4,695
Investment in unquoted shares	5,000	5,000
Investment in associated company	5,455	-
Timber concessions	599	599
Amount owing by an associated company	17,477	27,708
Deferred tax assets	4,253	4,253
Goodwill on consolidation	4,535	4,535
Advances for log purchases	14,535	17,986
Total non-current assets	93,085	94,855
Current Assets		
Property development expenditure	16,018	5,872
Inventories	6,498	5,951
Amount owing by an associated company	11,094	5,553
Trade and other receivables	10,398	12,828
Current tax assets	61	15
Other assets	3,553	1,502
Fixed deposits, cash and bank balances	1,559	3,511
Total current assets	49,181	35,232
Total assets	142,266	130,087
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	48,349	120,874
Share premium	4,764	4,764
Retained earnings	42,858	(28,812)
Equity attributable to owners of the Parent	95,971	96,826
Non-controlling interest	1,290	148
Total equity	97,261	96,974
Non-Current Liabilities		
Hire-purchase payables	435	512
Borrowings	12,037	5,432
Deferred tax liabilities	5,080	4,745
Total non-current liabilities	17,552	10,689

LEWEKO RESOURCES BERHADCompany No. 568420-K
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
AS AT 30 JUNE 2015
[CONTINUED]

	As At 30.6.2015 RM'000 (Unaudited)	As At 30.6.2014 RM'000 (Audited)
Current Liabilities		
Trade and other payables	4,897	4,297
Advanced billing	2,572	1,848
Hire-purchase payables	223	190
Borrowings	18,035	15,129
Current tax liabilities	1,013	190
Other liabilities	713	770
Total current liabilities	27,453	22,424
Total liabilities	45,005	33,113
Total equity and liabilities	142,266	130,087
Net Assets per Share (RM)	0.40	0.40

*The accompanying Notes to Interim Financial Report form an integral part of the
Condensed Consolidated Statement of Financial Position*

LEWEKO RESOURCES BERHAD

Company No. 568420-K
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FINANCIAL QUARTER ENDED 30 JUNE 2015
(UNAUDITED)**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.6.2015 RM'000	Preceding Year Corresponding Quarter 30.6.2014 RM'000	Current Year To Date 30.6.2015 RM'000	Preceding Year Corresponding Period 30.6.2014 RM'000
Revenue	7,739	4,123	32,658	23,751
Investment revenue	523	1,488	3,480	3,972
Other gains and losses	(1,180)	(2,923)	(1,167)	(2,826)
Other operating income	11	14	50	34
Changes in inventories of finished goods and work-in-progress	773	(728)	567	(1,657)
Raw materials and consumables used	(41)	(11)	(67)	(613)
Employee benefits expenses	(1,436)	(1,153)	(5,784)	(4,901)
Depreciation of property, plant and equipment	(376)	(416)	(1,585)	(1,645)
Amortisation of intangible assets	(54)	(54)	(219)	(219)
Amortisation of timber concession	-	-	-	(1,290)
Property development expenditure	(1,863)	361	(5,188)	(985)
Contract cost recognized	(2,876)	(1,781)	(11,793)	(8,329)
Other operating expenses	(2,580)	(1,476)	(8,468)	(6,186)
Profit/(loss) from operations	(1,360)	(2,556)	2,484	(894)
Finance costs	(223)	(430)	(1,039)	(1,138)
Profit/(loss) before tax	(1,583)	(2,986)	1,445	(2,032)
Tax (expense)/credit	(872)	(187)	(1,158)	144
Net profit/(loss) and total comprehensive income/(expense) for the financial year end	(2,455)	(3,173)	287	(1,888)
Profit/(loss) and total comprehensive profit/(loss) attributable to:				
Owners of the parent	(2,213)	(3,405)	(855)	(2,474)
Non-controlling interest	(242)	232	1,142	586
	(2,455)	(3,173)	287	(1,888)
Basic/diluted earnings per share attributable to owners of the parent (sen)	(0.92)	(1.41)	(0.35)	(1.02)

The accompanying Notes to Interim Financial Report form an integral part of the Condensed Consolidated Statement of Comprehensive Income

LEWEKO RESOURCES BERHAD

Company No. 568420-K

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FINANCIAL QUARTER ENDED 30 JUNE 2015
(UNAUDITED)**

	Attributable to owners of the Parent			Non-controlling Interest RM'000	Total RM'000
	Share Capital RM'000	Retained Earnings RM'000	Share Premium RM'000		
2014					
At 1 July 2014	120,874	(28,812)	4,764	148	96,974
Net profit and total comprehensive income for the financial year end	-	(855)	-	1,142	287
Par value reduction	(72,525)	75,525	-	-	-
At 31 June 2015	<u>48,349</u>	<u>42,858</u>	<u>4,764</u>	<u>1,290</u>	<u>97,261</u>
2013					
At 1 July 2013	120,874	(26,338)	4,764	(438)	98,862
Net profit and total comprehensive income for the financial year end	-	(2,474)	-	586	(1,888)
At 30 June 2014	<u>120,874</u>	<u>(28,812)</u>	<u>4,764</u>	<u>148</u>	<u>96,974</u>

The accompanying Notes to Interim Financial Report form an integral part of the Condensed Consolidated Statement of Changes in Equity

LEWEKO RESOURCES BERHADCompany No. 568420-K
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
FINANCIAL QUARTER ENDED 30 JUNE 2015
(UNAUDITED)

	Current Year To Date 30.6.2015 RM'000	Preceding Year Corresponding Period 30.6.2014 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit/(loss) for the year end	287	(1,888)
Adjustments for:		
Amortisation of timber concession	-	1,290
Write down of inventories	-	683
Depreciation of property, plant and equipment	1,712	1,750
Finance costs	1,039	1,140
Amortisation of intangible assets	219	219
Inventories written off	-	3
Unrealised gain on foreign currency exchange	8	2
Bad debt written off	66	-
Income tax expense/(credit) recognised in profit or loss	1,158	(144)
Interest arising from amortization of financial assets	(2,979)	(3,466)
Fair value adjustments on reassessment of financial assets	1,189	2,923
Dividend income from preference shares	(500)	(500)
Gain on disposal of property, plant and equipment	(14)	(36)
Property, plant and equipment written off	14	-
Impairment losses reversed on receivables	-	(20)
Interest income	(1)	(6)
	<hr/> 2,198	<hr/> 1,950
Movements in working capital:		
(Increase)/Decrease in:		
Property development projects	(14,975)	(1,004)
Inventories	(547)	1,070
Trade and other receivables	3,503	(6,421)
Accrued billing	-	277
Amount owing by an associate	6,914	(509)
Other assets	(2,052)	376
(Decrease)/Increase in:		
Trade and other payables	602	3,336
Advanced billing	723	1,848
Other liabilities	(57)	159
Cash From/(Used In) Operations	<hr/> (3,691)	<hr/> 1,082
Interest income received	-	2
Income tax refunded	-	4
Income tax paid	(46)	(3)
Net Cash From/(Used In) Operating Activities	<hr/> (3,737)	<hr/> 1,085

LEWEKO RESOURCES BERHADCompany No. 568420-K
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FINANCIAL QUARTER ENDED 30 JUNE 2015**

(UNAUDITED)

[CONTINUED]

	Current Year To Date 30.6.2015 RM'000	Preceding Year Corresponding Period 30.6.2014 RM'000
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	14	114
Interest received on fixed deposits	1	6
Dividend received	500	1,500
Advances of logs purchases refunded	-	2,200
Advances of logs purchases	-	(400)
Purchase of property, plant and equipment	(1,702)	(393)
Additions to investment properties	-	(195)
Additions to land held for property development	-	(95)
Uplift/(placement) of fixed deposits	(298)	146
Investment in associated companies	(5,455)	-
Net Cash From/(Used In) Investing Activities	<u>(6,940)</u>	<u>2,883</u>
CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		
Finance costs paid	(1,039)	(1,140)
Proceeds/(Repayment of) bankers' acceptances and trust receipts	166	(378)
Repayment of term loans	(76)	(40)
Proceeds from term loans	8,830	5,374
(Repayment of)/Proceeds from hire-purchase payables – net	(45)	(230)
(Repayment of)/Proceeds from bank overdraft	841	(3,951)
(Repayment of)/Proceeds from short-term revolving credits	(250)	(375)
Net Cash From/(Used In) Financing Activities	<u>8,427</u>	<u>(740)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(2,250)	3,228
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	3,491	266
Effect of exchange rate changes on the balance of cash held in foreign currencies	-	(3)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>1,241</u>	<u>3,491</u>
Cash and cash equivalents comprise:		
Bank and cash balances	1,241	3,491
Fixed deposits	318	20
	<u>1,559</u>	<u>3,511</u>
Fixed deposits pledged for banking facilities	(318)	(20)
	<u>1,241</u>	<u>3,491</u>

*The accompanying Notes to Interim Financial Report form an integral part of the
Condensed Consolidated Statement of Cash Flows*

LEWEKO RESOURCES BERHAD

Company No. 568420-K
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NOTES TO INTERIM FINANCIAL REPORT FINANCIAL QUARTER ENDED 30 JUNE 2015

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The preparation of an interim financial report in conformity with MFRS 134: Interim Financial Reporting, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

The interim financial report should be read in conjunction with the audited financial statements for the financial period ended 30 June 2014. It contains unaudited condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial period ended 30 June 2014. The condensed consolidated interim financial report and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with MFRSs.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those in the audited financial statements for the financial year ended 30 June 2014, except for the adoption of the following MFRSs, IC Interpretations and Amendments to MFRSs with effect from 1 July 2014:

MFRS 2	Share-based Payment - Fair Value Measurement - Annual Improvements to MFRSs 2010-2012 Cycle [Amendments to MFRS 2]
MFRS 3	Business Combinations – Annual Improvements to MFRSs 2010-2012 Cycle [Amendments to MFRS 3] Business Combinations – Annual Improvements to MFRSs 2011-2013 Cycle [Amendments to MFRS 3]
MFRS 8	Operating Segments - Annual Improvements to MFRSs 2010-2012 Cycle [Amendments to MFRS 8]
MFRS 13	Fair Value Measurement - Annual Improvements to MFRSs 2011-2013 Cycle [Amendments to MFRS 13]
MFRS 116	Property, Plant and Equipment – Annual Improvements 2010-2012 Cycle [Amendments to MFRS 116]
MFRS 119	Defined Benefit Plans : Employee Contributions [Amendments to MFRS 119]
MFRS 124	Related Party Disclosures Joint Arrangements - Annual Improvements to MFRSs 2010-2012 Cycle [Amendments to MFRS 124]
MFRS 138	Intangible Assets - Annual Improvements to MFRSs 2010-2012 Cycle [Amendments to MFRS 138]
MFRS 140	Investment Property - Annual Improvements to MFRSs 2011-2013 Cycle [Amendments to MFRS 140]

The Board anticipates that the adoption of these MFRSs, IC Interpretations and Amendments to MFRSs will have no material financial impact on the financial statements of the Group.

LEWEKO RESOURCES BERHAD

Company No. 568420-K
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**NOTES TO INTERIM FINANCIAL REPORT
FINANCIAL QUARTER ENDED 30 JUNE 2015**

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial period ended 30 June 2014 was not qualified.

4. Seasonality or Cyclical Factors

The Group's performance could be affected by the rainy season during which its logging and log trading activities would be hampered.

5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current financial quarter.

6. Changes in Estimates

There were no changes in estimates of amounts reported in the prior financial quarter or prior financial years that have had a material effect in the current financial quarter.

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the current financial quarter.

8. Dividends Paid

No dividends have been paid during the current financial year to date.

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LEWEKO RESOURCES BERHAD

Company No. 568420-K
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**NOTES TO INTERIM FINANCIAL REPORT
FINANCIAL QUARTER ENDED 30 JUNE 2015**

9. Segmental Information**(a) Segment Revenue**

	Current Financial Quarter			Current Financial Year To Date		
	External RM'000	Inter-segment RM'000	Total RM'000	External RM'000	Inter-segment RM'000	Total RM'000
Log trading, sawn and moulded timber	263	-	263	4,438	-	4,438
Precast concrete products	3,842	-	3,842	17,456	-	17,456
Property development	3,634	-	3,634	10,764	-	10,764
Others	84	(84)	-	336	(336)	-
	<u>7,823</u>	<u>(84)</u>	<u>7,739</u>	<u>32,994</u>	<u>(336)</u>	<u>32,658</u>

(b) Segment Results

	RM'000	RM'000
Log trading, sawn and moulded timber	(2,725)	(5,195)
Precast concrete products	370	3,288
Property development	825	3,542
Others	170	849
	<u>(1,360)</u>	<u>2,484</u>
Finance costs	(223)	(1,039)
Profit/(loss) before tax	(1,583)	1,445
Tax expense	(872)	(1,158)
Profit/(loss) after tax	<u>(2,455)</u>	<u>287</u>

LEWEKO RESOURCES BERHAD

Company No. 568420-K
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**NOTES TO INTERIM FINANCIAL REPORT
FINANCIAL QUARTER ENDED 30 JUNE 2015**

10. Valuations of Property, Plant and Equipment

There were no valuations of property, plant and equipment brought forward from the previous annual financial statements. The property, plant and equipment are stated at their historical cost less accumulated depreciation.

11. Material Events Subsequent to the End of the Current Financial Quarter

There were no material events subsequent to the end of the current financial quarter which has not been reflected in the interim financial report.

12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter.

13. Changes in Contingent Liabilities and Contingent Assets

There were no changes in the contingent liabilities or contingent assets since the end of the last financial period.

14. Capital Commitments

Save as disclosed below, the Group has no capital commitments as at the end of the current financial quarter.

Approved and contracted for:	RM'000
- Balance of the security deposit pursuant to a joint venture agreement	13,500

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LEWEKO RESOURCES BERHAD

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NOTES TO INTERIM FINANCIAL REPORT FINANCIAL QUARTER ENDED 30 JUNE 2015

15. Performance Review

For the quarter under review, The Group registered consolidated revenue and Loss before tax ("LBT") of RM7.74 million and RM1.58 million respectively as compared to a revenue of RM4.12 million and LBT of RM2.99 million in the preceding year's corresponding quarter. The Group recorded higher revenue mainly attributed to the higher revenue recognised in the precast concrete and property division. The loss recorded in the current quarter was mainly due to the re-assessment of financial assets despite the better performance in the property division.

The timber division recorded revenue of RM0.26 million, a decrease of 71.1% from RM0.90 million recorded in the preceding year's corresponding quarter. The decrease in revenue was mainly due to the lower logging trading activity, arising from the delay in obtaining logging permits from the relevant authorities. As the results, this division recorded LBT of RM2.72 million as compared to LBT of RM1.82 million in the preceding year's corresponding quarter.

The precast concrete division recorded revenue of RM3.84 million, an increase of 28.4% from RM2.99 million recorded in the preceding year's corresponding quarter. This was mainly contributed by the higher workdone attributable to the increase in production during the current financial quarter. However, this division recorded a lower Profit before tax ("PBT") of RM0.37 million as compared to the PBT of RM0.50 million in the preceding year's corresponding quarter due to the lower margin achieved from the projects completed during the quarter under review.

The property division recorded revenue of RM3.63 million as compared to the revenue of RM0.24 million recorded in the preceding quarter. This division recorded a PBT of RM0.83 million as compared to the PBT of RM0.13 million in the preceding quarter in tandem with the increase in revenue.

16. Comparison of Results with Preceding Quarter

For the quarter under review, the Group registered consolidated revenue and LBT of RM7.74 million and RM1.58 million respectively as compared to a revenue of RM6.33 million and PBT of RM0.34 million in the preceding quarter. The Group recorded higher revenue in the current quarter mainly attributed to the better performance in the precast concrete division and property division. The loss recorded in the current quarter was mainly due to the re-assessment of financial assets in the timber division.

The timber division recorded revenue of RM0.26 million, as compared to the revenue of RM0.30 million recorded in the preceding quarter. This division recorded a LBT of RM2.72 million as compared to the LBT of RM1.13 million recorded in the preceding quarter mainly due to the re-assessment of financial assets.

The precast concrete division recorded revenue of RM3.84 million, an increase of 25.5% from RM3.06 million recorded in the preceding quarter. This was mainly contributed by the higher workdone attributable to the increase in production during the current financial quarter. However, this division recorded a lower PBT of RM0.37 million as compared to the PBT of RM0.60 million in the preceding quarter due to the lower margin achieved from the projects completed during the quarter under review.

The property division recorded revenue of RM3.63 million, an increase of 21.8% from RM2.98 million recorded in the preceding year's corresponding quarter. However, this division recorded a lower PBT of RM0.83 million as compared to the PBT of RM0.99 million in the preceding year's corresponding quarter due to the higher interest charges during the quarter under review.

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**NOTES TO INTERIM FINANCIAL REPORT
FINANCIAL QUARTER ENDED 30 JUNE 2015**

17. Commentary on Prospects

The Group operates principally in trading of logs, manufacture and sale of sawn and moulded timber; precast concrete manufacturing; and property development.

The Group's timber division had been operating in a challenging environment due to weaker European demand for tropical hardwood and increasing operational costs. The weaker demand had contributed to the decline in the past few years. The Group had implemented measures to increase revenue as well as contain costs in order to maintain its competitiveness by amongst others, employing species selection and increasing sales in its downstream activities.

To reduce the Leweko Group's reliance on a single revenue stream, the Group acquired its precast concrete business in 2010 based on Ultra-High Performance 'ductile Concrete ("UHPdC") technology, which possess very high strength and ductile and can be applied in infrastructure projects, impact structures, prestress elements and buildings. Since the acquisition, this division continuously receiving new orders over the last few years and for the immediate future, the Group plans to increase the contribution of this division.

The Group launched its first project in Ipoh during the last financial year and further expand its property development activities through joint venture with Kampung Kenayat Sdn. Bhd. under the corporate exercise as announced on 28 October 2014. The Group is of the opinion that diversifying into property development would offer good growth prospect for the Group in the long term given the industry's resilience which is positively correlated to population growth and expected to contribute positively to the Group's future earnings. Moreover, our Group's diversification into property development mitigates the dependency of our existing core business in trading of logs and manufacturing and sale of sawn and moulded timber; and manufacturing, construction and installation of precast concrete products. The additional revenue to be contributed from property development will provide the company with an additional source of earnings.

Given the above circumstances and measures taken by the Group, the Board is fairly confident the Group's performance will be improved in the future.

18. Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax with profit forecast and shortfall in profit guarantee are not applicable.

19. Tax Expense

	Current Financial Quarter RM'000	Current Financial Year To Date RM'000
Income tax		
Current financial year	(528)	(778)
Under provision in prior financial year	-	(45)
	(528)	(823)
Deferred taxation		
Current financial year	(344)	(335)
	(872)	(1,158)

LEWEKO RESOURCES BERHAD

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**NOTES TO INTERIM FINANCIAL REPORT
FINANCIAL QUARTER ENDED 30 JUNE 2015**

20. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There were no disposals of unquoted investments and/or properties during the current financial quarter.

21. Quoted Securities

- (a) There were no purchases or disposals of quoted securities during the current financial quarter.
- (b) The Group has no quoted securities as at the end of the current financial quarter.

22. Status of Corporate Proposals

On 28 October 2014, M&A Securities Sdn Bhd, on behalf of the Board of Directors, announced that the Company proposes to undertake the following proposals ("Proposal"):

- (i) proposed diversification of the principal activities of the Company and its subsidiaries to include property development
- (ii) proposed joint venture between our wholly owned subsidiary company, Maju Weko Timber Industries Sdn. Bhd. and Kampung Kenayat Sdn. Bhd. to jointly develop thirty-eight (38) parcels of leasehold mixed development land, measuring in aggregate 96,785 square metres, all situated in the Mukim of Hulu Kinta, District of Kinta, State of Perak Darul Ridzuan into a mixed-use development under Phase 1 to Phase 5;
- (iii) proposed reduction of the existing issued and paid-up share capital of Leweko, via the cancellation of RM0.30 of the par value of each existing ordinary share of RM0.50 to RM0.20 each pursuant to Section 64 of the Companies Act, 1965;
- (iv) proposed renounceable rights issue of up to 161,165,602 new Leweko Shares on the basis of two (2) Rights Shares for every three (3) existing Leweko Shares held after the Proposed Par Value Reduction, together with up to 201,457,002 free detachable warrants on the basis of five (5) Warrants for every four (4) new Leweko Shares subscribed on an entitlement date to be determined later and at an issue price to be determined later; and
- (v) proposed amendments to the Memorandum and Articles of Association of Leweko to facilitate the implementation of the Proposed Par Value Reduction.

On 12 December 2014, M&A Securities Sdn Bhd, on behalf of the Board of Directors, announced that Bursa Securities had, vide its letter dated 12 December 2014 ("Bursa Securities Letter"), resolved to approve the following:

- (a) Admission to the Official List and the listing of and quotation for up to 201,457,002 Warrants to be issued pursuant to the Proposed Rights Issue with Warrants;
- (b) Listing of up to 161,165,602 Rights Shares to be issued pursuant to the Proposed Rights Issue with Warrants; and
- (c) Listing of up to 201,457,002 new Leweko Shares to be issued pursuant to the exercise of the Warrants.

The approval by Bursa Securities for the Proposed Rights Issue with Warrants is subject to the conditions in Bursa Securities Letter.

On 5 February 2015, M&A Securities Sdn Bhd, on behalf of the Board of Directors, announced that the shareholders of Leweko had approved the Proposal at the Extraordinary General Meeting ("EGM") held on 5 February 2015.

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On 9 June 2015, M&A Securities Sdn Bhd, on behalf of the Board of Directors of Leweko, announced that the Company has been informed by its solicitors that the Ipoh High Court has granted an Order to confirm the Par Value Reduction.

On 9 June 2015, M&A Securities Sdn Bhd, on behalf of the Board of Directors of Leweko, announced that an office copy of the sealed order of the High Court of Malaya confirming the par value reduction has been lodged with the Companies Commission of Malaysia on 19 June 2015, upon which the Par Value Reduction shall take effect. Hence, the Par Value Reduction is deemed completed.

27 July 2015, M&A Securities Sdn Bhd, on behalf of the Board, announced that the Board has resolved to fix the issue price for the Rights Shares at RM0.20 per Rights Share and the exercise price for the Warrants at RM0.20 per Warrant.

The Abridged Prospectus has been approved by the Securities Commission of Malaysia (“SC”) and issued to the Company’s shareholders on 18 August 2015.

23. Borrowings and Debt Securities

	Secured RM’000
Short term borrowings	12,472
Long term borrowings	18,258
	<u>30,730</u>

All of the above borrowings are denominated in Malaysian Ringgit.

24. Off Balance Sheet Financial Instruments

The Group has no off balance sheet financial instruments as at 20 August 2015.

25. Changes in Material Litigations

The Group has no material litigations as at 20 August 2015.

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LEWEKO RESOURCES BERHADCompany No. 568420-K
(Incorporated in Malaysia)**NOTES TO INTERIM FINANCIAL REPORT
FINANCIAL QUARTER ENDED 30 JUNE 2015****26. Related Party Transactions**

	Current Financial Quarter RM'000	Current Financial Year To Date RM'000
Rental of premises paid to Limbongan Bersama Sdn. Bhd., a company in which certain directors of the Company have interests	27	108

27. Basic/Diluted Profit Per Share

	Current Financial Quarter RM'000	Current Financial Year To Date RM'000
Net profit attributable to owners of the parent	(2,213)	(855)
Weighted average number of ordinary shares in issue ('000)	241,748	241,748
Basic/diluted profit per share (sen)	(0.92)	(0.35)

28. Dividends Payable

No interim dividend has been declared or recommended for the current financial quarter.

29. Realised and Unrealised Profits

The breakdown of retained profits of the Group as at the reporting date into realised and unrealised profits, is as follows:-

	As At 30.6.2015 RM'000	As At 30.6.2014 RM'000
Total retained earnings of the Leweko Resources Berhad and its subsidiary companies		
Realised	124,706	49,115
Unrealised	819	(490)
	<hr/> 125,525	<hr/> 48,625
Consolidated adjustments	(82,667)	(77,437)
Total Group's retained earnings as per statement of financial position	<hr/> <hr/> 42,858	<hr/> <hr/> (28,812)

By order of the Board,

Chan Chee Kheong
Company Secretary

27 August 2015