

LEWEKO RESOURCES BERHAD

Company No. 568420-K
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2015**

	As At 30.9.2015 RM'000 (Unaudited)	As At 30.6.2015 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	16,134	16,459
Product development costs	2,358	2,413
Investment properties	17,282	12,699
Land held for property development	5,931	5,772
Investment in unquoted shares	5,000	5,000
Investment in associated company	5,455	5,454
Timber concessions	599	599
Amount owing by an associated company	14,288	17,477
Deferred tax assets	4,253	4,253
Goodwill on consolidation	4,535	4,535
Advances for log purchases	14,774	14,535
Total non-current assets	90,609	89,196
Current Assets		
Property development projects	18,384	12,121
Inventories	6,450	6,798
Amount owing by an associated company	14,283	11,094
Trade and other receivables	16,275	21,149
Current tax assets	62	11
Other assets	18,252	2,909
Fixed deposits, cash and bank balances	1,408	1,559
Total current assets	75,114	55,641
Total assets	165,723	144,837
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	64,378	48,349
Share premium	4,764	4,764
Retained earnings	43,257	42,858
Equity attributable to owners of the Parent	112,399	95,971
Non-controlling interest	1,476	1,290
Total equity	113,875	97,261
Non-Current Liabilities		
Hire-purchase payables	458	442
Borrowings	15,458	12,259
Deferred tax liabilities	5,077	5,080
Deferred revenue	274	274
Total non-current liabilities	21,267	18,055

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

	As At 30.9.2015 RM'000 (Unaudited)	As At 30.6.2015 RM'000 (Audited)
Current Liabilities		
Trade and other payables	10,561	6,806
Advanced billing	2,159	2,861
Hire-purchase payables	227	223
Borrowings	15,974	17,813
Current tax liabilities	1,127	1,013
Other liabilities	533	805
Total current liabilities	30,581	29,521
Total liabilities	51,848	47,576
Total equity and liabilities	165,723	144,837
Net Assets per Share (RM)	0.35	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 SEPTEMBER 2015
(UNAUDITED)**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.9.2015 RM'000	Preceding Year Corresponding Quarter 30.9.2014 RM'000	Current Year To Date 30.9.2015 RM'000	Preceding Year Corresponding Period 30.9.2014 RM'000
Revenue	7,820	7,713	7,820	7,713
Investment revenue	239	874	239	874
Other gains and losses	82	2	82	2
Other operating income	28	14	28	14
Changes in inventories of finished goods and work-in-progress	(246)	(401)	(246)	(401)
Raw materials and consumables used	(373)	105	(373)	105
Employee benefits expenses	(1,271)	(1,324)	(1,271)	(1,324)
Depreciation of property, plant and equipment	(374)	(406)	(374)	(406)
Amortisation of intangible assets	(55)	(55)	(55)	(55)
Amortisation of timber concession	-	-	-	-
Property development expenditure	(1,830)	(608)	(1,830)	(608)
Contract cost recognized	(1,889)	(3,416)	(1,889)	(3,416)
Other operating expenses	(1,025)	(1,806)	(1,025)	(1,806)
Profit from operations	1,106	692	1,106	692
Finance costs	(342)	(273)	(342)	(273)
Profit before tax	764	419	764	419
Tax (expense)/credit	(179)	3	(179)	3
Net profit and total comprehensive income for the financial period	585	422	585	422
Profit/(loss) and total comprehensive profit/(loss) attributable to:				
Owners of the parent	399	(62)	399	(62)
Non-controlling interest	186	484	186	484
	585	422	585	422
Basic/diluted earnings per share attributable to owners of the parent (sen)	0.12	(0.03)	0.12	(0.03)

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 SEPTEMBER 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		
2016					
At 1 July 2015	48,349	42,858	4,764	1,290	97,261
Net profit and total comprehensive income for the financial period	-	399	-	186	585
Right Issues	16,029	-	-	-	16,029
At 30 September 2015	64,378	43,257	4,764	1,476	113,875
2015					
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	48,349	42,858	4,764	1,290	97,261

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 SEPTEMBER 2015
(UNAUDITED)

	Current Year To Date 30.9.2015 RM'000	Financial Year Ended 30.6.2015 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit for the financial period	585	286
Adjustments for:		
Advances for logs purchases utilized	-	3,017
Depreciation of property, plant and equipment	414	1,712
Finance costs	342	1,423
Fair value adjustments on reassessment of financial assets	-	1,189
Tax expense/(credit) recognised in profit or loss	179	1,158
Write down of inventories	-	475
Impairment losses recognised on property, plant and equipment	-	300
Amortisation of intangible assets	55	219
Bad debt written off	-	74
Tax penalty	-	33
Inventories written off	-	15
Property, plant and equipment written off	-	14
Unrealised gain on foreign currency exchange	1	8
Interest arising from amortization of financial assets	(239)	(2,979)
Dividend income from preference shares	-	(500)
Gain on disposal of property, plant and equipment	-	(14)
Interest income	-	(7)
	<hr/> 1,337	<hr/> 6,423
Movements in working capital:		
(Increase)/Decrease in:		
Inventories	349	(1,337)
Property development projects	(6,262)	(5,896)
Trade and other receivables	4,872	(8,403)
Amount owing by an associate	-	1,460
Other assets	(1,894)	(1,407)
(Decrease)/Increase in:		
Trade and other payables	3,756	2,509
Advanced billing	(703)	1,013
Other liabilities	(272)	2
Cash From/(Used In) Operations	<hr/> 1,183	<hr/> (5,636)
Income tax refunded	-	7
Interest income received	-	7
Income tax paid	(68)	(3)
Net Cash From/(Used In) Operating Activities	<hr/> 1,115	<hr/> (5,625)

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

	Current Year To Date 30.9.2015 RM'000	Financial Year Ended 30.6.2015 RM'000
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Dividend received	-	500
Proceeds from disposal of property, plant and equipment	-	14
Proceeds from right issues	16,029	-
Payment of security deposit	(13,500)	-
Interest received on fixed deposits	-	1
Additions to investment properties	(4,583)	(2,693)
Additions to land held for property development	(159)	(1,078)
Purchase of property, plant and equipment	(90)	(1,003)
Placement of fixed deposits	(130)	(298)
Net Cash Used In Investing Activities	<u>(2,433)</u>	<u>(4,557)</u>
CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		
Proceeds from term loans	3,967	9,665
(Repayment of)/Proceeds from bank overdraft – net	(1,908)	841
Proceeds from government grants	-	274
(Repayment of)/Proceeds from bankers' acceptances and trust receipts	(660)	166
Finance costs paid	(342)	(1,603)
Repayment of term loans	(40)	(960)
Repayment of short-term revolving credits – net	-	(250)
Proceeds from/(Repayment of) hire-purchase payables – net	20	(201)
Net Cash From Financing Activities	<u>1,037</u>	<u>7,932</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(281)	(2,250)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	1,241	3,491
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>960</u>	<u>1,241</u>
Cash and cash equivalents comprise:		
Bank and cash balances	960	1,241
Fixed deposits	448	318
	<u>1,408</u>	<u>1,559</u>
Fixed deposits pledged for banking facilities	(448)	(318)
	<u>960</u>	<u>1,241</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
(Incorporated in Malaysia)

NOTES TO INTERIM FINANCIAL REPORT FINANCIAL QUARTER ENDED 30 SEPTEMBER 2015

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 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 FRS 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 year ended 30 June 2015. 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 year ended 30 June 2015. 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 FRSSs.

2. Changes in Accounting Policies

On November 19, 2011, the Malaysian Accounting Standards Board (“MASB”) has issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework (“MFRS Framework”), a fully International Financial Reporting Standards (“IFRS”) compliant framework. Entities other than private entities shall apply the MFRS Framework for annual periods beginning on or after January 1, 2012, with the exception of Transitioning Entities (“TEs”).

TEs, being entities within the scope of MFRS 141 Agriculture and/or IC Interpretation 15 : Agreements for the Construction of Real Estate, including its parents, significant investors and venturers were allowed to defer the adoption of the MFRS Framework until such time as mandated by the MASB. On September 2, 2014, with the issuance of MFRS 15 Revenue from Contracts with Customers and Amendments to MFRS 116 and MFRS 141 Agriculture: Bearer Plants, the MASB announced that TEs which have chosen to continue with the FRS Framework is now required to adopt the MFRS Framework latest by January 1, 2018.

The Group and the Company being TEs have availed themselves of this transitional arrangement and will continue to apply FRSSs in the preparation of their financial statements. Accordingly, the Group and the Company will be required to apply MFRS 1 : First-time adoption of Malaysian Financial Reporting Standards in their financial statements for the financial year ending June 30, 2019, being the first set of financial statements prepared in accordance with the new MFRS Framework.

The significant accounting policies adopted are consistent with those in the audited financial statements for the financial year ended 30 June 2015, except for the adoption of the following FRSSs, IC Interpretations and Amendments to FRSSs:

		Effective date for financial periods beginning on or after
FRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
Amendments to FRS 101	Disclosure Initiative	1 January 2016
Amendments to FRS 116 & FRS 138	Clarification of Acceptable Methods of Depreciation And Amortisation	1 January 2016
Amendments To FRSSs	Annual Improvements to FRSSs 2012 – 2014 Cycle	1 January 2016

LEWEKO RESOURCES BERHAD

Company No. 568420-K
(Incorporated in Malaysia)

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

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial period ended 30 June 2015 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 for the quarter and the financial year under review except for the listing of and quotation for 80,145,085 ordinary shares and 100,181,356 Warrants 2015/2020 on the Main Market of Bursa Malaysia Securities Berhad on 15 September 2015.

8. Dividends Paid

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

LEWEKO RESOURCES BERHAD

Company No. 568420-K
(Incorporated in Malaysia)

**NOTES TO INTERIM FINANCIAL REPORT
FINANCIAL QUARTER ENDED 30 SEPTEMBER 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	1,100	-	1,100	1,100	-	1,100
Precast concrete products	2,921	-	2,921	2,921	-	2,921
Property development	3,799	-	3,799	3,799	-	3,799
Others	84	(84)	-	84	(84)	-
	<u>7,904</u>	<u>(84)</u>	<u>7,820</u>	<u>7,904</u>	<u>(84)</u>	<u>7,820</u>

(b) Segment Results

	RM'000	RM'000
Log trading, sawn and moulded timber	(617)	(617)
Precast concrete products	529	529
Property development	1,658	1,658
Others	(464)	(464)
	<u>1,106</u>	<u>1,106</u>
Finance costs	(342)	(342)
Profit before tax	<u>764</u>	<u>764</u>
Tax expense	(179)	(179)
Profit after tax	<u>585</u>	<u>585</u>

LEWEKO RESOURCES BERHAD

Company No. 568420-K
(Incorporated in Malaysia)

**NOTES TO INTERIM FINANCIAL REPORT
FINANCIAL QUARTER ENDED 30 SEPTEMBER 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

The Group has no capital commitments as at the end of the current financial quarter.

15. Performance Review

For the quarter under review, The Group registered consolidated revenue and profit before tax (“PBT”) of RM7.82 million and RM0.76 million respectively as compared to a revenue of RM7.71 million and PBT of RM0.42 million in the preceding year's corresponding quarter. Despite the weaker performance from the timber and precast concrete division, the Group recorded higher revenue and PBT mainly attributed to the higher contribution from the property division.

The timber division recorded revenue of RM1.10 million, a decrease of 17.9% from RM1.34 million recorded in the preceding year's corresponding quarter. The decrease in revenue was mainly due to the lower logging trading activity. However, this division recorded lower loss before tax (“LBT”) of RM0.62 million as compared to LBT of RM1.07 million in the preceding year's corresponding quarter attributed to the increase in selling price for its export market.

The precast concrete division recorded revenue of RM2.92 million, a decrease of 41.5% from RM4.99 million recorded in the preceding year's corresponding quarter. This was mainly due to the higher workdone contributed from major projects during the preceding year's corresponding quarter. Accordingly, this division recorded a lower PBT of RM0.53 million as compared to the PBT of RM1.0 million in the preceding year's corresponding quarter.

The property division recorded revenue of RM3.80 million as compared to the revenue of RM1.39 million recorded in the preceding year's corresponding quarter. This division recorded a PBT of RM1.66 million as compared to the PBT of RM0.43 million in the preceding year's corresponding quarter in tandem with the increase in revenue.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

LEWEKO RESOURCES BERHAD

Company No. 568420-K
(Incorporated in Malaysia)

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

16. Comparison of Results with Preceding Quarter

For the quarter under review, the Group registered consolidated revenue and PBT of RM7.82 million and RM0.76 million respectively as compared to a revenue of RM7.74 million and LBT of RM1.58 million in the preceding quarter. The slice increment in the Group's revenue was contributed by the higher revenue recorded in the timber division and property division offset with the lower revenue registered in the precast concrete division. The loss recorded in the preceding quarter was mainly due to the re-assessment of financial assets in the timber division.

The timber division recorded revenue of RM1.10 million, as compared to the revenue of RM0.26 million recorded in the preceding quarter mainly attributed to the increase in export sales. This division recorded a lower LBT of RM0.62 million as compared to the LBT of RM2.72 million recorded in the preceding quarter mainly due to the re-assessment of financial assets in the preceding quarter.

The precast concrete division recorded revenue of RM2.92 million, a decrease of 24.0% from RM3.84 million recorded in the preceding quarter. This was mainly due to the lower workdone recorded in the current financial quarter. However, this division recorded a higher PBT of RM0.53 million as compared to the PBT of RM0.37 million in the preceding quarter attributed to the higher profit margin achieved from the projects completed during the quarter under review.

The property division recorded revenue of RM3.80 million, an increase of 4.7% from RM3.63 million recorded in the preceding quarter. This division recorded a higher PBT of RM1.66 million as compared to the PBT of RM0.83 million in the preceding quarter attributed to the lower operating expenses incurred in the quarter under review.

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 for the past few years due to the slower log trading activities. 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.

The Group's precast concrete division has been contributing positively to the Group's results over the last few years. The division which own "DURA" trademark based on Ultra-High Performance 'ductile Concrete ("UHPdC") technology, continuously receiving new orders over the last few years. The Group plans to expand the precast concrete business geographically.

The contribution from the Group's property division increased significantly in the last finance year. The Group plans to further expand its property development activities through a joint venture to undertake a mix development in Ipoh. 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.

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.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

LEWEKO RESOURCES BERHAD

Company No. 568420-K
(Incorporated in Malaysia)

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

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 period	(182)	(182)
	(182)	(182)
Deferred taxation		
Current financial period	3	3
	(179)	(179)

**NOTES TO INTERIM FINANCIAL REPORT
FINANCIAL QUARTER ENDED 30 SEPTEMBER 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.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

LEWEKO RESOURCES BERHAD

Company No. 568420-K
(Incorporated in Malaysia)

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

22. Status of Corporate Proposals

There are no corporate proposals announced as at the reporting date save and except for the following:-

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 15 September 2015, M&A Securities Sdn Bhd, on behalf of the Board of Directors, announced that the Proposals are completed/effected following the listing of and quotation for 80,145,085 ordinary shares of RM0.20 each in Leweko and 100,181,356 Warrants 2015/2020 pursuant to the Rights Issue with Warrants on the Main Market of Bursa Malaysia Securities Berhad.

The proceeds of RM16,029,017 raised from the Rights Issue of Shares with Warrants was fully utilised on 30.9.2015. The details of the utilisation are as follows:-

Details of utilisation	Actual utilisation RM'000	Date of completion of utilisation
Funding of the Security Deposit pursuant to the Joint Venture	13,500	15.9.2015
Working Capital	1,829	30.9.2015
Defraying expenses in relation to the Proposals	700	30.9.2015
	<hr/> <hr/>	
	16,029	

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

LEWEKO RESOURCES BERHADCompany No. 568420-K
(Incorporated in Malaysia)**NOTES TO INTERIM FINANCIAL REPORT
FINANCIAL QUARTER ENDED 30 SEPTEMBER 2015****23. Borrowings and Debt Securities**

	Secured RM'000
Short term borrowings	16,201
Long term borrowings	15,916
	<u>32,117</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 19 November 2015.

25. Changes in Material Litigations

The Group has no material litigations as at 19 November 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	27

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	399	399
Weighted average number of ordinary shares in issue ('000)	321,893	321,893
Basic/diluted profit per share (sen)	0.12	0.12

28. Dividends Payable

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

LEWEKO RESOURCES BERHAD

Company No. 568420-K
(Incorporated in Malaysia)

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

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 30.9.2015 RM'000	As At 30.6.2015 RM'000
Total retained earnings of the Leweko Resources Berhad and its subsidiary companies		
Realised	125,836	126,343
Unrealised	823	(818)
	<hr/> 126,649	<hr/> 125,525
Consolidated adjustments	(83,392)	(82,667)
Total Group's retained earnings as per statement of financial position	<hr/> <hr/> 43,257	<hr/> <hr/> 42,858

By order of the Board,

Chan Chee Kheong
Company Secretary

26 November 2015