

Company No. 532570-V



**JOHORE TIN BERHAD**  
(Company No. 532570-V)  
(Incorporated in Malaysia)  
**AND ITS SUBSIDIARY COMPANIES**

**QUARTERLY REPORT**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014**

**(UNAUDITED)**

**This Report is dated 27<sup>th</sup> February 2015.**

Company No. 532570-V



**JOHORE TIN BERHAD**  
(Incorporated in Malaysia)  
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## **QUARTERLY REPORT**

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**

	NOTE	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		Current Year Quarter 31-12-2014 RM'000	Preceding Year Corresponding Quarter 31-12-2013 RM'000	Current Year- To-Date 31-12-2014 RM'000	Preceding Year- To-Date 31-12-2013 RM'000
<b>REVENUE</b>		<b>104,661</b>	<b>64,577</b>	<b>315,534</b>	<b>241,384</b>
Cost of Sales		(88,684)	(54,059)	(268,750)	(190,485)
<b>GROSS PROFIT</b>		<b>15,977</b>	<b>10,518</b>	<b>46,784</b>	<b>50,899</b>
Other income		3,418	937	4,107	1,949
Administrative expenses		(3,629)	(2,101)	(14,044)	(12,291)
Distribution expenses		(4,272)	(2,410)	(12,411)	(9,134)
Other expenses		(4,423)	(1,630)	(5,336)	(2,867)
Finance costs		(423)	(386)	(1,379)	(1,408)
<b>PROFIT BEFORE TAX</b>		<b>6,648</b>	<b>4,928</b>	<b>17,721</b>	<b>27,148</b>
Income tax expense	B6	(2,403)	(1,130)	(5,712)	(6,628)
<b>PROFIT FOR THE PERIOD</b>		<b>4,245</b>	<b>3,798</b>	<b>12,009</b>	<b>20,520</b>
Non-controlling interest		971	122	967	72
<b>PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>5,216</b>	<b>3,920</b>	<b>12,976</b>	<b>20,592</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Foreign currency translation		31	(36)	30	(126)
<b>Total other comprehensive income for the period</b>		<b>31</b>	<b>(36)</b>	<b>30</b>	<b>(126)</b>
<b>COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD</b>	B8	<b>5,247</b>	<b>3,884</b>	<b>13,006</b>	<b>20,466</b>
<b>Profit after tax attributable to:</b>					
Owners of the Company		5,216	3,920	12,976	20,592
Non-controlling interest		(971)	(122)	(967)	(72)
		4,245	3,798	12,009	20,520
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		5,247	3,884	13,006	20,466
Non-controlling interest		(971)	(122)	(967)	(72)
		4,276	3,762	12,039	20,394
Earnings per share (sen):					
- Basic and Diluted	B9	5.59	4.20	13.91	22.07

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013 and the accompanying explanatory notes to the quarterly report.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 AS AT 31 DECEMBER 2014 (UNAUDITED)**

NOTE	As at 31 December 2014 (Unaudited) RM'000	As at 31 December 2013 (Audited) RM'000
<b><u>ASSETS</u></b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	82,228	76,707
Investment properties	1,621	1,638
Goodwill on consolidation	10,650	10,650
Other investment	17	17
	94,516	89,012
<b>Current Assets</b>		
Inventories	125,016	58,266
Trade receivables	70,514	39,897
Other receivables	2,956	1,426
Amount owing from related companies	3,691	1,476
Tax recoverable	1,373	2,850
Cash and cash equivalents	25,494	38,266
	229,044	142,181
<b>Total Assets</b>	<b>323,560</b>	<b>213,193</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Share Capital and Reserves</b>		
Share capital	93,305	93,305
Retained earnings	77,376	66,266
Other components of equity	10,078	10,048
<b>Equity Attributable to Owners of the Company</b>	<b>180,759</b>	<b>169,619</b>
Non-controlling interest	(839)	128
<b>Total Equity</b>	<b>179,920</b>	<b>169,747</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013 and the accompanying explanatory notes to the quarterly report.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 AS AT 31 DECEMBER 2014 (UNAUDITED) (cont'd)**

	NOTE	As at 31 December 2014 (Unaudited) RM'000	As at 31 December 2013 (Audited) RM'000
<b><u>EQUITY AND LIABILITIES (cont'd)</u></b>			
<b>Non-Current Liabilities</b>			
Long-term borrowings	<b>B12</b>	10,462	15,563
Retirement benefits		391	301
Deferred tax		5,363	5,213
<b>Total Non-Current Liabilities</b>		<b>16,216</b>	<b>21,077</b>
<b>Current Liabilities</b>			
Trade payables		54,514	10,248
Other payables		11,457	7,299
Amount owing to directors		689	713
Short-term borrowings	<b>B12</b>	58,762	20,250
Derivative financial liabilities	<b>B11</b>	716	166
Income tax		1,286	1,693
<b>Total Current Liabilities</b>		<b>127,424</b>	<b>40,369</b>
<b>Total Liabilities</b>		<b>143,640</b>	<b>61,446</b>
<b>Total Equity and Liabilities</b>		<b>323,560</b>	<b>213,193</b>
Net Assets (NA) per share attributable to ordinary equity holders of the Company (RM)		1.94	1.82

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013 and the accompanying explanatory notes to the quarterly report.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**

Note	<u>Non-Distributable Reserves</u>			<u>Distributable</u>		Attributable to Owners of the Company RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium Reserve RM'000	Warrants Reserve RM'000	Foreign Translation Reserve RM'000	Retained Earnings RM'000			
<b>Balance at 1 January 2014</b>	93,305	5,528	5,233	(713)	66,266	169,619	128	169,747
Total comprehensive income for the year	-	-	-	30	12,976	13,006	(967)	12,039
Dividend	-	-	-	-	(1,866)	(1,866)	-	(1,866)
<b>Balance at 31 December 2014</b>	<b>93,305</b>	<b>5,528</b>	<b>5,233</b>	<b>(683)</b>	<b>77,376</b>	<b>180,759</b>	<b>(839)</b>	<b>179,920</b>
<b>Balance at 1 January 2013</b>	93,305	5,528	5,233	(587)	52,392	155,871	-	155,871
Acquisition of new subsidiary	-	-	-	-	-	-	200	200
Total comprehensive income for the year	-	-	-	(126)	20,592	20,466	(72)	20,394
Dividend	-	-	-	-	(6,718)	(6,718)	-	(6,718)
<b>Balance at 31 December 2013</b>	<b>93,305</b>	<b>5,528</b>	<b>5,233</b>	<b>(713)</b>	<b>66,266</b>	<b>169,619</b>	<b>128</b>	<b>169,747</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013 and the accompanying explanatory notes to the quarterly report.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**

	NOTE	Current Year-To-Date 31-12-2014 RM'000	Preceding Year-To-Date 31-12-2013 RM'000
Net cash (used in)/from operating activities	<b>B15</b>	(28,739)	24,598
Net cash used in investing activities	<b>B15</b>	(12,255)	(21,032)
Net cash from/(used in) financing activities	<b>B15</b>	28,340	(14,782)
Net decrease in cash and cash equivalents		(12,654)	(11,216)
Adjustment for foreign exchange differentials		(118)	(144)
Cash and cash equivalents as of beginning of year		38,266	49,626
Cash and cash equivalents as of end of year		25,494	38,266

Cash and cash equivalents at the end of the financial reporting year comprise the following:

	Current Year-To-Date 31-12-2014 RM'000	Preceding Year-To-Date 31-12-2013 RM'000
Cash and bank balances	25,494	38,266

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013 and the accompanying explanatory notes to the quarterly report.**

**NOTES TO THE FINANCIAL INFORMATION  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**

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**PART A**

**EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS  
134: INTERIM FINANCIAL REPORTING (“MFRS 134”)**

**A1. Basis of Preparation**

The unaudited condensed interim financial statements for the fourth quarter ended 31 December 2014 have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and with IAS 34 *Interim Financial Reporting*, and the applicable disclosure provisions on paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”), and should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 December 2013.

These condensed consolidated interim financial statements are prepared under historical cost convention, which are in compliance with MFRSs and the requirements of the Companies Act 1965 in Malaysia. These are the Group’s first set of condensed interim financial statements prepared in accordance with MFRSs, which are also in line with International Financial Reporting Standards as issued by the International Accounting Standards Board.

**A2. Changes in Accounting Policies**

The accounting policies and methods of computation adopted by the Group for these unaudited condensed interim financial statements are consistent with those in the audited financial statements for the financial year ended 31 December 2013.

**a) The Group has adopted the following applicable new/revised accounting standards (“MFRSs”) and Issues Committee Interpretations (including consequential amendments) (“IC Int.”):**

Amendments to MFRS 10, MFRS 12 AND MFRS 127 (2011) *Investment Entities*  
Amendments to MFRS 132 *Offsetting Financial Assets and Financial Liabilities*  
Amendments to MFRS 136 *Recoverable Amount Disclosures for Non-Financial Assets*  
IC Int. 21 *Levies*

The above MFRSs and IC Int. did not have any material impact on the Group’s financial statements.

**b) The Group has not applied in advance the following applicable new/revised accounting standards (“MFRSs”) and Issues Committee Interpretations (including consequential amendments) (“IC Int.”) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial year:**

<b>MFRS and IC Interpretations</b>	<b>Effective Date</b>
MFRS 9 <i>Financial Instruments (IFRS 9 issued by IASB in July 2014)</i>	1 January 2018
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011) <i>Investment Entities - Applying the Consolidation Exception</i>	1 January 2016
Amendments to MFRS 101 <i>Presentation of Financial Statements - Disclosure Initiative</i>	1 January 2016
Amendments to MFRS 116 and MFRS 138 <i>Clarification of Acceptance Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to MFRS 119 <i>Defined Benefit Plans – Employee Contributions</i>	1 January 2016

The above MFRSs and IC Int. will not have any material impact on the Group’s financial statements.



**NOTES TO THE FINANCIAL INFORMATION  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**

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**A3. Audit Qualification**

There was no qualification on the annual audited financial statements of the Group for the year ended 31 December 2013.

**A4. Seasonal or Cyclical Factors**

The Group's operations are not significantly affected by any seasonal or cyclical factors.

**A5. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial reporting year under review.

**A6. Debt and Equity Securities**

There were no issuance, cancellation, repurchases, resale and repayment of debts and equity securities for the current financial reporting year.

**A7. Changes in Estimates**

There were no changes in estimates of amounts reported in prior interim periods of the current financial reporting year that have a material effect in the current interim period.

**A8. Dividend Paid**

There was no dividend paid during the financial reporting year under review.

**A9. Subsequent Material Events**

There were no material events subsequent to the end of the current financial reporting year that have not been reflected in the financial statements for the current interim period.

**A10. Contingent Liabilities**

	<b>THE COMPANY</b>	
	<b>As at</b>	<b>As at</b>
	<b>31-12-2014</b>	<b>31-12-2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Corporate Guarantee given to licensed banks for banking facilities granted to subsidiaries	67,996	29,915

**A11. Changes in the Composition**

There are no changes in the composition of the entity during the current interim period, including business combinations, obtaining or losing control of subsidiaries and long-term investments, restructurings, and discontinued operations.

**A12. Segmental Reporting**

**a) Operating Segments**

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products, and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations in each of the Group's reportable segments:

- 1) Investment Holding - *Investment holding and provision of management services.*
- 2) Tin Manufacturing - *Manufacturing of various tins, cans and other containers.*
- 3) Food and Beverage - *Manufacturing and selling of milk and related dairy products.*

**NOTES TO THE FINANCIAL INFORMATION  
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**
**A12. Segmental Reporting (Cont'd)  
 a) Operating Segments (Cont'd)**

<b>THE GROUP</b>	<b>Investment Holding</b>	<b>Tin Manufacturing</b>	<b>Food &amp; Beverage</b>	<b>Total</b>
<b>31 December 2014</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
External revenue	-	88,699	226,835	315,534
Inter-segment revenue	-	16,121	9,891	26,012
Dividend income	3,292	-	-	3,292
Management income	385	-	-	385
<b>Total revenue</b>	<b>3,677</b>	<b>104,820</b>	<b>236,726</b>	<b>345,223</b>
Reportable segment (loss)/profit	(1,889)	9,275	4,623	12,009
Reportable segment assets	7,382	135,126	181,052	323,560
<b>31 December 2013</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
External revenue	-	83,074	158,310	241,384
Inter-segment revenue	-	17,503	1,008	18,511
Dividend income	14,514	-	-	14,514
Management income	950	-	-	950
<b>Total revenue</b>	<b>15,464</b>	<b>100,577</b>	<b>159,318</b>	<b>275,359</b>
Reportable segment (loss)/profit	(1,562)	9,207	12,875	20,520
Reportable segment assets	14,477	134,502	82,224	231,203

**b) Geographical Segments**

The Group's principal business activities are manufacturing of various tins, cans and other containers, and are primarily carried out in Malaysia and Indonesia.

<b>THE GROUP</b>	<b>Malaysia</b>	<b>Indonesia</b>	<b>Elimination</b>	<b>Consolidated</b>
<b>31 December 2014</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>				
External revenue	315,534	-	-	315,534
Inter-segment revenue	26,012	-	(26,012)	-
Dividend income	3,292	-	(3,292)	-
Management income	385	-	(385)	-
<b>Total revenue</b>	<b>345,223</b>	<b>-</b>	<b>(29,689)</b>	<b>315,534</b>
Segment results	22,077	18	(2,995)	19,100
Finance costs	(1,379)	-	-	(1,379)
<b>Profit before tax</b>	<b>20,698</b>	<b>18</b>	<b>(2,995)</b>	<b>17,721</b>
Tax expense				(5,712)
<b>Net profit for the period</b>				<b>12,009</b>
<b>Other Information:</b>				
Capital expenditure	12,677	-	-	12,677
Depreciation and amortisation	7,143	-	(4)	7,139
Segment assets	488,681	731	(165,852)	323,560
Segment liabilities	192,179	2	(48,478)	143,703

**NOTES TO THE FINANCIAL INFORMATION  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**
**A12. Segmental Reporting (Cont'd)**  
**b) Geographical Segments (Cont'd)**

<b>THE GROUP</b>	<b>Malaysia</b>	<b>Indonesia</b>	<b>Elimination</b>	<b>Consolidated</b>
<b>31 December 2013</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>				
External revenue	241,384	-	-	241,384
Inter-segment revenue	18,511	-	(18,511)	-
Dividend income	14,514	-	(14,514)	-
Management income	950	-	(950)	-
<b>Total revenue</b>	<b>275,359</b>	<b>-</b>	<b>(33,975)</b>	<b>241,384</b>
Segment results	43,067	(6)	(14,505)	28,556
Finance costs	(1,408)	-	-	(1,408)
<b>Profit before tax</b>	<b>41,659</b>	<b>(6)</b>	<b>(14,505)</b>	<b>27,148</b>
Tax expense				(6,628)
<b>Net profit for the period</b>				<b>20,520</b>
<b>Other Information:</b>				
Capital expenditure	26,023	-	-	26,023
Depreciation and amortisation	5,244	3	(4)	5,243
Segment assets	365,224	695	(134,716)	231,203
Segment liabilities	84,086	14	(22,644)	61,456

**A13. Related Party Transactions**

The amount owing to directors are unsecured, interest free advances and repayable on demand. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operation decisions. The related parties and their relationship with the Company are as follows:

	<b>THE GROUP</b>	
	<b>Current</b>	<b>Preceding</b>
	<b>Year-To-Date</b>	<b>Year-To-Date</b>
	<b>31-12-2014</b>	<b>31-12-2013</b>
	<b>RM</b>	<b>RM</b>
<b>Director of the Company</b>		
- Rental of factory	16,800	16,800
<b>Related Company</b>		
- Sales of goods	6,571,119	4,483,044
- Purchases of goods	157,255	987,502

The tenancy period was mutually agreed by both parties for a period of two years and expired on 14 November 2013, which was subsequently renewed on 15 November 2013 for another period of two years until 14 November 2015.

The directors of the Group and the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established under terms that are not less favourable than those arranged with independent third parties.

[End of Part A]

**NOTES TO THE FINANCIAL INFORMATION  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**

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**PART B**

**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS  
OF THE BURSA SECURITIES**

**B1. Review of Group Performance**

***a) Current Year Quarter compared with Preceding Year Corresponding Quarter***

The Group recorded a revenue of RM104.66 million and profit before tax of RM6.65 million for the fourth quarter as compared to preceding year corresponding quarter of RM64.58 million and profit before tax of RM4.93 million respectively. The revenue increased by RM40.08 million as compared to the fourth quarter of the preceding year and profit before tax increased by RM1.72 million respectively.

For the tin manufacturing segment, revenue increased by RM5.44 million from RM19.24 million to RM24.68 million due to higher sales in the edible oil industry. Profit before tax increased by RM4.29 million to RM4.1 million for the current year quarter as compared against a loss before tax of RM0.19 million in the preceding year corresponding quarter mainly due to an increase in demand and lower allowance for doubtful debts in the current year quarter.

For the F&B segment, revenue increased by RM34.65 million from RM45.33 million to RM79.98 million due to higher sales. However, profit before tax decreased by RM1.86 million from RM4.81 million in the preceding year corresponding quarter as compared to RM2.95 million for the current year quarter under review. This is due to unrealised foreign exchange loss arise from the outstanding balances owing to suppliers at the current year quarter.

***b) Current Year-To-Date compared with Preceding Year-To-Date***

The Group has recorded a revenue of RM315.53 million and profit before tax of RM17.72 million for the 12 months' period ended 31 December 2014 as compared to preceding year-to-date of RM241.38 million and RM27.15 million respectively. The Group achieved an increase in revenue of RM74.15 million as compared to preceding year-to-date and profit before tax decreased by RM9.43 million respectively.

For the tin manufacturing industry, revenue increased by RM5.63 million from RM83.07 million to RM88.7 million due to higher sales in the edible oil industry. Profit before tax increased by RM1.19 million from RM10.87 million to RM12.06 million mainly due to an increase in demand and lower allowance for doubtful debts in current year as compared to preceding year's quarter.

For the F&B segment, revenue increased by by RM68.52 million from RM158.31 million to RM226.83 million due to higher sales. However, profit before tax decreased by RM9.77 million from RM16.86 million to RM7.09 million mainly due to compensation paid for products with quality issue in the second quarter of the current year.



**NOTES TO THE FINANCIAL INFORMATION  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**

**B2. Variation of Results against Preceding Quarter**

For the current quarter under review, the Group's profits increased by RM2.65 million to RM6.65 million as compared to profit before tax of RM4 million in the preceding quarter ended 30 September 2014.

**a) Tin Manufacturing Industry**

Profit before tax for tin manufacturing segment increased by RM2.77 million from RM1.33 million for the previous quarter as compared to the current quarter of profit before tax of RM4.1 million. The increase in profit is due to higher revenue in the current quarter.

**b) F&B Industry**

Profit before tax for the F&B segment decreased marginally by RM0.09 million from RM3.04 million for the previous quarter as compared to the current quarter of profit before tax of RM2.95 million. The slight decrease in profit mainly due to foreign exchange differences in the current quarter.

**B3. Prospects of the Group**

**a) Tin Manufacturing Industry**

Raw materials prices are expected to remain constant in the near-term. As for the demand, it is expected to remain stable.

With the stable market demand, this segment is expected to be profitable.

**b) F&B Industry**

Demand is expected to remain strong and we foresee a very competitive market. This segment will continue to be profitable despite volatility in raw materials prices.

**B4. Revenue or Profit Estimates**

This is not applicable to the Group for the current financial reporting period under review.

**B5. Profit Forecast or Profit Guarantee**

The profit forecast is not applicable to the Group for the current financial reporting period.

**B6. Tax Expense**

	Individual Quarter		Cumulative Quarter	
	31-12-2014 RM'000	31-12-2013 RM'000	31-12-2014 RM'000	31-12-2013 RM'000
Current year:				
- Income tax	2,347	468	5,530	5,496
- Deferred tax	140	834	234	1,302
	<u>2,487</u>	<u>1,302</u>	<u>5,764</u>	<u>6,798</u>
Under/(Over) provision in previous year:				
- Income tax	-	(76)	32	(74)
- Deferred tax	(84)	(96)	(84)	(96)
	<u>2,403</u>	<u>1,130</u>	<u>5,712</u>	<u>6,628</u>

**NOTES TO THE FINANCIAL INFORMATION  
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**
**B7. Status of Corporate Proposals and Utilisation of Proceeds Raised from Rights Issue**

The Company has increased its share capital by 23,326,333 new ordinary shares of RM1.00 each at an issue price of RM1.28 each per share, amounting to RM29,857,706.24 from the Rights Issue on 27 November 2012.

The status of the utilisation of proceeds from the rights issue as at 31 December 2014 are summarised as follows:

Purpose	Proposed	Actual	Intended	Deviation	
	Utilisation RM'000	Utilisation RM'000	Timeframe (Within)	RM'000	%
i) Purchase of land and construction of new warehouse and factory	15,000	9,981	18 months *	5,019	33.46
ii) Purchase of machineries and equipment	8,000	8,000	18 months	-	-
iii) Upgrading works	1,500	886	18 months **	614	40.94
iv) Working capital	4,857	4,857	12 months	-	-
v) Rights issue expenses	500	500	1 month	-	-
	<u>29,857</u>	<u>24,224</u>		<u>5,633</u>	<u>18.87</u>

\* Construction of new warehouse and factory has commenced, however, it has started late due to pending approval from relevant authorities. Progressive payment will be made till the completion of the new warehouse and factory. Expected completion will be in 2<sup>nd</sup> quarter of 2015.

\*\* Further upgrading works in the existing Kuala Langat's factory will only commence after transfer of some machineries into the new warehouse and factory.

**B8. Notes to the Statement of Profit or Loss and Other Comprehensive Income**

Included in the Statement of Profit or Loss and Other Comprehensive Income are as follows:

	Individual Quarter		Cumulative Quarter	
	31-12-2014 RM'000	31-12-2013 RM'000	31-12-2014 RM'000	31-12-2013 RM'000
Interest income	(69)	(139)	(422)	(752)
Other income	(1,000)	(798)	(1,336)	(1,197)
Interest expense	423	386	1,379	1,408
Depreciation and amortisation	1,846	1,461	7,139	5,246
Gain on disposal of property, plant and equipment	-	(354)	-	(468)
Foreign exchange loss/(gain)	1,683	(151)	2,429	792
Loss/(Gain) on derivatives	528	(65)	551	191
Exceptional items	-	-	-	-

**NOTES TO THE FINANCIAL INFORMATION  
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**
**B9. Earnings Per Share**

The basic earnings per share is calculated based on the net profit divided by the weighted average number of ordinary shares in issues during the financial reporting period which is as follows:

	Individual Quarter		Cumulative Quarter	
	31-12-2014	31-12-2013	31-12-2014	31-12-2013
Profit for the period (RM'000)	5,216	3,920	12,976	20,592
Weighted average number of ordinary shares ('000 shares)	93,305	93,305	93,305	93,305
<b>Basic and Diluted Earnings per Share (Sen)</b>	<b>5.59</b>	<b>4.20</b>	<b>13.91</b>	<b>22.07</b>

For the financial reporting period under review, the outstanding warrants does not have a dilutive effect to the earnings per ordinary share as the average market price of ordinary shares as at the end of the reporting period was below the exercise price of the warrants.

**B10. Disclosure of Realised and Unrealised Profits**

The breakdown of the realised and unrealised profits or losses as at the end of the financial reporting period is as follows:

	THE GROUP	
	As at 31-12-2014 RM'000	As at 31-12-2013 RM'000
Total retained earnings (Company and its subsidiaries)		
- realised	161,305	150,446
- unrealised	(5,712)	(5,125)
	155,593	145,321
Less: Consolidation adjustments	(78,217)	(79,055)
Total group retained earnings as per unaudited condensed consolidated statement of financial position	77,376	66,266

**B11. Derivative Financial Instruments**

As at 31 December 2014, the Group has entered into the short-term foreign currency forward contract, to hedge its purchases denominated in foreign currency so as to limit the exposure to fluctuations in foreign exchange rates. The details of the foreign currency forward contracts are as follows:

Type of Derivatives	THE GROUP	
	As at 31-12-2014 RM'000	As at 31-12-2013 RM'000
<b>Forward Contracts (US Dollar)</b>		
Fair Value	13,461	10,645
Less: Contract/Notional Value	12,745	10,479
Loss on Fair Value Changes	716	166

**NOTES TO THE FINANCIAL INFORMATION  
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**
**B11. Derivative Financial Instruments (Cont'd)**

All contracts entered by the Group are executed with creditworthy financial institutions in Malaysia. As a result, the credit risk or the risk of counterparties defaulting is minimal. The Group also has a low liquidity risk as it maintains sufficient fund to settle the entire derivative financial instruments when they fall due.

However, the Group is subject to market risk in term of foreign currency, on sales and purchases that are denominated in foreign currency other than Ringgit Malaysia. The Group maintains a natural hedge, whenever is possible, by matching the receivables and the payables in the same currency, any unmatched balances will be hedged by the forward foreign currency contracts.

**B12. Loan and Borrowings**

The Group's bank loan and borrowings as at the end of the financial reporting year are as follows:

	THE COMPANY		THE GROUP	
	As at 31-12-2014 RM'000	As at 31-12-2013 RM'000	As at 31-12-2014 RM'000	As at 31-12-2013 RM'000
<b>Current portion (secured):</b>				
Term loans	1,434	1,428	1,922	1,893
Short-term banking facilities	-	-	49,872	10,454
Revolving credit	4,000	5,000	4,000	5,000
Hire purchase payables (see Note B13 below)	-	-	2,968	2,903
	<b>5,434</b>	<b>6,428</b>	<b>58,762</b>	<b>20,250</b>
<b>Non-current portion (secured):</b>				
Term loans	4,186	5,623	8,276	10,209
Hire purchase payables (see Note B13 below)	-	-	2,186	5,354
	<b>4,186</b>	<b>5,623</b>	<b>10,462</b>	<b>15,563</b>
<b>Total loan and borrowings</b>	<b>9,620</b>	<b>12,051</b>	<b>69,224</b>	<b>35,813</b>

Except for the above, the Group's other banking facilities (all pertaining to certain subsidiary companies) are secured by way of corporate guarantee issued by the Company.

**B13. Hire Purchase Payables**

The Group's hire purchase payables as at the end of the financial reporting year are as follows:

	THE GROUP	
	As at 31-12-2014 RM'000	As at 31-12-2013 RM'000
Minimum hire purchase payments	5,178	8,317
Less: Future finance charges	(24)	(60)
Present value of hire purchase payables	5,154	8,257
Less: Current portion (see Note B12 above)	(2,968)	(2,903)
Non-current portion (see Note B12 above)	<b>2,186</b>	<b>5,354</b>



**NOTES TO THE FINANCIAL INFORMATION  
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014 (UNAUDITED)**
**B14. Warrants Reserve**

The movements in the warrants reserve of the Company are as follows:

	<b>THE GROUP</b>	
	<b>As at</b>	<b>As at</b>
	<b>31-12-2014</b>	<b>31-12-2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Balance at 1 January/31 December	28,487	28,487

As at the end of the reporting year under review, no warrants have been exercised.

**B15. Notes to the Condensed Consolidated Statement of Cash Flows**

The details of major components in the Statement of Cash Flows comprises as follows:

	<b>THE GROUP</b>	
	<b>Current</b>	<b>Preceding</b>
	<b>Year-To-Date</b>	<b>Year-To-Date</b>
	<b>31-12-2014</b>	<b>31-12-2013</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>a) Cash Flows from Operating Activities</b>		
Decrease in inventories	(66,879)	(8,546)
Decrease in trade and other receivables	(30,421)	(3,870)
Decrease in trade and other payables	47,263	736
Income tax paid	(6,652)	(6,895)
Income tax refund	2,170	1,372
<b>b) Cash Flows used in Investing Activities</b>		
Payment of contingent consideration	-	(5,000)
Proceeds from disposal of property, plant and equipment	-	1,020
Purchase of property, plant and equipment	(12,677)	(17,789)
<b>c) Cash Flows used in Financing Activities</b>		
Dividend paid	(1,866)	(6,718)
Net drawdown/(repayment) of short-term borrowings	37,593	(3,629)
Repayment of term loan	(2,904)	(2,148)
Repayment of hire purchase payables	(3,104)	(1,252)

**B16. Proposed Dividend**

During the financial reporting year under review, the Directors do not recommend any interim dividend for the financial year ended 31 December 2014.

**B17. Material Litigations**

There were no pending material litigations since the date of last audited annual statement of financial position.

**B18. Authorisation for Issue**

The second quarter unaudited financial statements were authorised for issued by the Board of Directors in accordance to the Board of Directors meeting held on 27 February 2015.

*[End of Report]*