

APEX HEALTHCARE BERHAD (473108-T)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	3 MONTHS ENDED		YEAR ENDED	
		31/12/2014	31/12/2013	31/12/2014	31/12/2013
		RM'000	RM'000	RM'000	RM'000
					(Audited)
Revenue		123,305	106,210	499,237	418,451
Cost of sales		(95,098)	(79,920)	(383,123)	(312,888)
Gross profit		28,207	26,290	116,114	105,563
Other income		1,691	929	4,434	2,528
Selling & marketing expenses		(12,694)	(11,591)	(55,041)	(47,580)
Administrative expenses		(4,868)	(4,846)	(20,037)	(18,078)
Other expenses		(252)	(341)	(755)	(998)
Finance cost		(4)	(10)	(8)	(43)
Share of results of an associate		591	135	917	(777)
Profit before tax	A7	12,671	10,566	45,624	40,615
Income tax expense	B6	(3,126)	(2,923)	(11,647)	(10,493)
Net profit for the period/year		9,545	7,643	33,977	30,122
Other comprehensive income:					
Exchange differences on translation of foreign operations, net of tax		963	1,853	963	1,853
Total comprehensive income for the period/year		10,508	9,496	34,940	31,975
Net profit attributable to:					
Owners of the parent		9,522	7,616	33,864	30,022
Non-controlling interest		23	27	113	101
Net profit for the period/year		9,545	7,643	33,977	30,123
Total comprehensive income attributable to:					
Owners of the parent		10,485	9,469	34,827	31,875
Non-controlling interest		23	27	113	101
Total comprehensive income for the period/year		10,508	9,496	34,940	31,976
Earnings per share attributable to owners of the parent:		Sen	Sen	Sen	Sen
- Basic	B11	8.13	6.50	28.91	25.63
- Diluted	B11	8.13	6.50	28.91	25.63

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	Note	As at 31/12/2014 RM'000	As at 31/12/2013 RM'000
			(Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment	A12	99,555	106,921
Investment properties		5,855	3,329
Intangible assets		1,222	1,190
Investment in an associate		7,116	4,211
Deferred tax assets		168	376
Receivables		10,000	5,000
Long term investment		5,520	5,520
		129,436	126,547
Current Assets			
Inventories		51,698	47,742
Receivables		113,808	101,324
Prepayments		375	120
Tax recoverable		409	482
Available-for-sale financial asset		-	3,928
Derivative financial instruments	A16 & B12	174	25
Deposits, bank and cash balances		56,056	32,804
		222,520	186,425
Non-current assets held for sale	A13	2,479	-
		224,999	186,425
TOTAL ASSETS		354,435	312,972
EQUITY AND LIABILITIES			
Current Liabilities			
Borrowings	B8	11	-
Derivative financial instruments	A16 & B12	-	1
Payables		86,505	70,374
Current tax payable		2,237	1,771
		88,753	72,146
Non-Current Liabilities			
Borrowings	B8	32	-
Deferred tax liabilities		5,359	5,752
		5,391	5,752
TOTAL LIABILITIES		94,144	77,898
NET ASSETS		260,291	235,074
EQUITY			
Equity attributable to owners of the parent			
Share capital		117,146	93,717
Reserves		4,181	3,218
Retained earnings	B14	138,608	137,896
		259,935	234,831
Non-controlling interest		356	243
TOTAL EQUITY		260,291	235,074
		RM	RM
Net Assets per share attributable to owners of the parent		2.22	2.51

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

Note	← Non-Distributable →		Distributable		Equity attributable to owners of the parent, total	Non-controlling Interest	Total Equity
	Share Capital	Foreign currency translation reserve	Retained Earnings				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
YEAR ENDED 31 DECEMBER 2014							
	93,717	3,218	137,896	234,831	243	235,074	
	-	963	33,864	34,827	113	34,940	
Transaction with owners							
Issue of ordinary shares pursuant to bonus issue	23,429	-	(23,429)	-	-	-	
Dividends on ordinary shares	-	-	(9,723)	(9,723)	-	(9,723)	
Total transaction with owners	23,429	-	(33,152)	(9,723)	-	(9,723)	
Balance as at 31 December 2014	117,146	4,181	138,608	259,935	356	260,291	
YEAR ENDED 31 DECEMBER 2013							
	93,717	1,365	121,229	216,311	142	216,453	
	-	1,853	30,022	31,875	101	31,976	
Transaction with owners							
Dividends on ordinary shares	-	-	(13,355)	(13,355)	-	(13,355)	
Balance as at 31 December 2013	93,717	3,218	137,896	234,831	243	235,074	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2014

	YEAR ENDED	
	31/12/2014	31/12/2013
	RM'000	RM'000
Operating activities		(Audited)
Profit before tax	45,624	40,615
Adjustments for:		
Depreciation and amortisation	8,940	7,799
Net profit on disposal of property, plant and equipment	(306)	(77)
Property, plant and equipment written off	2	13
Share of results of an associate	(917)	777
Dividends received from investment securities	-	(62)
Net profit on disposal of available-for-sale financial asset	(407)	-
Fair value changes of derivative financial instruments	(150)	(7)
Fair value changes of financial assets at fair value through profit or loss	-	(63)
(Reversal of)/Inventories written off and written down	(340)	47
Impairment loss on investment properties	-	119
Impairment loss on trade receivables	116	560
Bad debts recovered	(6)	-
Interest expense	8	43
Interest income	(930)	(478)
Unrealised foreign exchange gain	(170)	(324)
Operating cash flows before changes in working capital	51,464	48,962
Inventories	(3,615)	(4,667)
Receivables	(17,851)	(11,487)
Payables	16,131	4,517
Cash generated from operations	46,129	37,325
Tax paid	(11,294)	(10,069)
Net cash flows generated from operating activities	34,835	27,256
Investing activities		
Proceeds from the disposal of available-for-sale financial asset	4,335	-
Investment in an associate	(1,988)	(4,988)
Purchase of property, plant and equipment & intangible assets	(5,986)	(36,924)
Proceeds from disposal of property, plant and equipment	357	147
Proceeds from disposal of investment securities	-	30,557
Dividends received from investment securities	-	62
Interest received	930	478
Net cash flows used in investing activities	(2,352)	(10,668)
Financing activities		
Finance lease raised	44	-
Dividends paid	(9,723)	(13,355)
Other financing activities paid	(8)	(43)
Placement in long term investment	-	(5,520)
Net cash flows used in financing activities	(9,687)	(18,918)
Net increase/(decrease) in cash and cash equivalents	22,796	(2,330)
Cash and cash equivalents at 1 January	32,804	34,675
Effect of exchange rate changes on cash and cash equivalents	456	459
Cash and cash equivalents at the end of the financial year	56,056	32,804

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying explanatory notes attached to the Interim Financial Statements.

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

(THE FIGURES HAVE NOT BEEN AUDITED)

A NOTES PURSUANT TO MFRS 134 FOR THE YEAR ENDED 31 DECEMBER 2014

A1 Basis of preparation

These unaudited condensed consolidated interim financial statements for the year ended 31 December 2014 have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These unaudited condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. It should be read in conjunction with the Group's most recent audited financial statements for the year ended 31 December 2013.

These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for the certain financial assets and liabilities classified as financial assets and liabilities at fair value through profit or loss and financial assets designated as available for sale.

A2 Significant accounting policies

The significant accounting policies adopted in preparing these unaudited condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2013 except for the adoption of the following Malaysian Financial Reporting Standards ("MFRS") and Issues Committee ("IC") Interpretations wherever applicable to the Group and Company:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to MFRSs 2010–2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011–2013 Cycle	1 July 2014

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application.

A3 Seasonality or cyclical of interim operations

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

A4 Unusual items

There were no unusual items that affected the assets, liabilities, equity, net income or cash flows for the year ended 31 December 2014.

A5 Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial year.

There were no changes in estimates of amounts reported in the prior interim periods of the current financial year or prior financial year.

A NOTES PURSUANT TO MFRS 134 FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

A6 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the year ended 31 December 2014.

A7 Profit before tax

Included in profit before tax are the following items:

	3 MONTHS ENDED		YEAR ENDED	
	31/12/2014 RM'000	31/12/2013 RM'000	31/12/2014 RM'000	31/12/2013 RM'000
Interest income	324	185	930	478
Other income including investment income	632	469	2,062	1,522
Interest expense	(4)	(10)	(8)	(43)
Depreciation and amortisation	(2,233)	(2,112)	(8,940)	(7,799)
(Impairment loss)/Reversal of impairment loss on trade receivables	(28)	(511)	(110)	(560)
Impairment loss on investment properties	-	(119)	-	(119)
Reversal/(Written off and written down) of Inventories	128	43	340	(47)
Net profit on disposal of property, plant and equipment	125	75	306	77
Profit on disposal of AFS Financial Asset	110	-	407	-
Property, plant and equipment written off	-	(7)	(2)	(13)
Fair value gain/(loss) of derivative financial instruments	171	(72)	150	7
Fair value gain of financial assets at fair value through profit or loss	-	-	-	63
Foreign exchange gains less losses	258	284	406	307
Exceptional items	-	-	-	-

A8 Dividends paid and declared

The amount of dividends paid/payable during the current and previous interim year are as follows:

	31/12/2014 RM'000	31/12/2013 RM'000
<u>In respect of the financial year ended 31 December</u>		
2014: Interim single-tier dividend of 3.50 sen per share paid on 30-Sep-14	4,100	-
2013: Final dividend comprising 6.0 sen single tier per share paid on 05-June-14	5,623	-
2013: Interim single-tier dividend of 4.0 sen per share paid on 30-Sep-13	-	3,749
2012: Final dividend comprising taxable 3.0 sen gross per share and a tax-exempt of 3.0 sen per share as well as a Special tax-exempt dividend of 5.0 sen per share paid on 31-May-13	-	9,606
	<u>9,723</u>	<u>13,355</u>

A9 Segment Information

The Group is organised into three main business units based on their activities, and has three reportable operating segments as follows:

- (i) Manufacturing and marketing of pharmaceutical products;
- (ii) Wholesale and distribution of pharmaceutical and healthcare products; and
- (iii) Corporate comprising investments in retail pharmacy business and properties and the provision of management services.

OPERATING SEGMENTS	Manufacturing and Marketing RM'000	Wholesale and Distribution RM'000	Corporate RM'000	Adjustments	GROUP RM'000
				and eliminations RM'000	
YEAR ENDED 31/12/2014	RM'000	RM'000	RM'000	RM'000	RM'000
External Revenue	27,639	463,753	7,845	-	499,237
Inter-segment revenue	72,084	607	38,505	(111,196)	-
Total Revenue	99,723	464,360	46,350	(111,196)	499,237
Segment Results (external)	29,928	18,971	(1,154)	(2,113)	45,632
Finance costs					(8)
Profit before tax					45,624
YEAR ENDED 31/12/2013	RM'000	RM'000	RM'000	RM'000	RM'000
External Revenue	21,819	389,223	7,409	-	418,451
Inter-segment revenue	67,100	651	27,396	(95,147)	-
Total Revenue	88,919	389,874	34,805	(95,147)	418,451
Segment Results (external)	28,287	17,334	(3,108)	(1,855)	40,658
Finance costs					(43)
Profit before tax					40,615

A NOTES PURSUANT TO MFRS 134 FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

A9 Segment Information (continued)

OPERATING SEGMENTS	Manufacturing and Marketing	Wholesale and Distribution	Corporate	Adjustments and eliminations	GROUP
Segment assets					
31-Dec-2014	84,285	225,007	50,666	(5,523)	354,435
31-Dec-2013	81,719	207,715	28,675	(5,137)	312,972
Segment liabilities					
31-Dec-2014	(9,270)	(73,223)	(4,056)	(7,595)	(94,144)
31-Dec-2013	(8,166)	(58,820)	(3,389)	(7,523)	(77,898)

A10 Significant Events After the Reporting Date

There were no significant events that had arisen subsequent to the end of this current year.

A11 Changes in Group Composition

On 20 November 2014, ABio Marketing Sdn Bhd ("ABio Marketing"), a wholly-owned subsidiary of the Company, had entered into a Share Swap Agreement with November Union Sdn Bhd ("November Union") and Straits Apex Sdn Bhd ("Straits Apex"), whereby ABio Marketing and November Union shall transfer their respective entire 40% (representing 2,000,000 ordinary shares of RM1.00 each) and 60% (representing 3,000,000 ordinary shares of RM1.00 each) equity interest in ABio Orthopaedics Sdn Bhd ("ABio Orthopaedics") to Straits Apex, a 40% associate of the Company for a total consideration of RM5,000,000.00 (Ringgit Malaysia Five Million) only through the proportionate issue of new shares in Straits Apex to AHB and November Union.

This internal re-organisation is to streamline AHB's orthopaedics contract manufacturing business activities under a common holding company ("Internal Re-organisation"). Following the said transaction, there is no change in ultimate shareholding and ABio Orthopaedics shall remain an associate of the Company.

Other than the above, the Group did not undertake any business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinuation of operations during the current year ended 31 December 2014.

A12 Property, plant and equipment

During the current quarter ended 31 December 2014, the Group acquired assets at a cost of RM 2,159,000 (31 December 2013: RM4,945,000).

Assets with carrying amount of RM 50,000 were disposed of by the Group during the current quarter ended 31 December 2014 (31 December 2013: RM 70,000), resulting in a net gain on disposal of RM 125,000 (31 December 2013: RM 75,000), recognised and included in other income in the statement of comprehensive income.

A13 Non-current assets held for sale

On 3 December 2014, the Group entered into a sale and purchase agreement to dispose two units of investment properties at Pusat Bandar Damansara with carrying amount of RM 2,479,000. The disposal will be completed upon delivery of vacant possession of the properties which will not be later than 1st November 2015.

In accordance with MFRS 5: Non-current Assets Held for Sale and Discontinued Operations, the investment has been reclassified to Non-current assets held for sale at the lower of its carrying amount and fair value less costs to sell.



APEX HEALTHCARE BERHAD (473108-T)
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014
(THE FIGURES HAVE NOT BEEN AUDITED)**

A NOTES PURSUANT TO MFRS 134 FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

A14 Capital Commitments

Capital commitments of property, plant and equipment not provided for in the financial statements as at 31 December 2014 are as follows:

	RM'000
Authorised capital expenditure approved and contracted for	564
Authorised capital expenditure approved but not contracted for	10,460
	<u>11,024</u>

A15 Related Party Transactions

	31/12/2014 RM'000	31/12/2013 RM'000
Interest bearing term loan to an associate	10,000	5,000

Other than the above, the Group does not have any significant transactions with related parties during the year ended 31 December 2014 in addition to the related party transactions disclosed in the audited financial statements for the year ended 31 December 2013.

A16 Fair value hierarchy

The Group uses the following level of fair value hierarchy for determining the fair value of its financial instruments carried at fair value.

	31/12/2014 RM'000	31/12/2013 RM'000
Financial (liabilities)/assets:		
	<u>(Level 2)</u>	
Derivatives - Forward currency contracts	174	24

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There have been no transfers between the fair value hierarchy during the financial years ended 2014 and 2013.

A17 Changes in Contingent liabilities or Contingent assets.

There were no contingent liabilities or contingent assets of the Group since the end of the last annual reporting date.

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

(THE FIGURES HAVE NOT BEEN AUDITED)

B NOTES PURSUANT TO BURSA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A

B1 Detailed Performance Analysis of Operating Segments of the Group

The Group's revenue in the final quarter of 2014 grew by 16% to RM 123.3 million from RM 106.2 million for the same period last year. Profit before tax of RM 12.7 million for the current quarter exceeded that achieved for the same period in 2013 by 20%.

For the full year, the Group achieved record revenue of RM 499 million, a growth of 19% over that achieved in 2013. Profit before tax is RM 45.6 million, a growth of 12% over 2013. Profit after tax for 2014 is RM 34.0 million, a 13% increase over the RM 30.1 million recorded in the previous year.

Full year 2014 revenue at the Manufacturing and Marketing segment grew 12% over the previous year. All sectors performed well, with Malaysian Government sales and OEM manufacturing registering the greatest improvements.

For the Wholesale and Distribution segment, 2014 revenue strengthened 19% over the same period in 2013, led by sustained growth in all sectors, especially Singapore. Sales contribution from a new distribution agency Merck Serono enabled Singapore subsidiary Apex Pharma Marketing Pte Ltd to achieve its best ever performance. Contributions from house brand products in the overall sales mix continue to rise, enabling the segment to achieve improved margins.

The increase in revenue in the Corporate segment is mainly due to the increased dividend income received from subsidiaries, while the improved results in the same segment is primarily contributed by the Group's associated company involved in the contract manufacturing of orthopaedic devices. Full year revenue from the Group's 60% retail pharmacy subsidiary, CS Health Store Sdn Bhd, grew 14% over 2013 with the addition of a second outlet at Komtar Mall, Johor Bahru.

B2 Material changes in the profit before tax for the quarter

Profit before tax for the current quarter is RM 12.7 million, an increase of 23% over the RM 10.3 million achieved in the third quarter of 2014. This is due to lower operating expenses and share of results from the associated company.

B3 Commentary

a Prospects

The strong performance of the Group's core businesses in 2014 is the result of sound strategic planning and execution, continuous upgrading of manufacturing facilities, careful regional expansion, focused brand management, new product launches and an emphasis on staff training and development. The prospects for manufacturing, marketing and distribution of pharmaceuticals and consumer healthcare products remain good in the markets we operate. Market demand is underpinned by continued focus on generic drugs to reduce healthcare costs, affluent and informed consumers demanding quality and value in healthcare products and in certain countries, an ageing population. However, uncertainties in the global economic outlook, the implementation of GST in Malaysia and the strength of the Malaysian Ringgit have tempered expectations for 2015.

The Board believes that barring further unforeseen circumstances, the Board expects the Group to perform satisfactorily in 2015.

b Progress to achieve forecast revenue or profit estimate

Not applicable.

B4 Statement by the Board of Directors' opinion on the achievability of forecast revenue or profit estimate

Not applicable.

B5 Profit Forecast /Profit Guarantee

Not applicable.

B6 Income Tax Expense

	3 MONTHS ENDED		YEAR ENDED	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	RM'000	RM'000	RM'000	RM'000
In respect of current period/year:				
Income tax	2,629	2,712	11,475	10,246
Deferred tax	65	40	(187)	295
Foreign tax	335	167	335	167
	<u>3,029</u>	<u>2,919</u>	<u>11,623</u>	<u>10,708</u>
In respect of prior period/year:				
Income tax	97	4	24	(215)
	<u>3,126</u>	<u>2,923</u>	<u>11,647</u>	<u>10,493</u>

The effective tax rate for the current quarter and the current year was comparable with the statutory tax rate.

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(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2014

(THE FIGURES HAVE NOT BEEN AUDITED)

B NOTES PURSUANT TO BURSA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A (continued)

B7 Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 18th February 2015.

B8 Group Borrowings and Debt Securities

	31/12/2014	31/12/2013
	RM'000	RM'000
Current		
Secured obligations under finance lease	11	-
Non-current		
Secured obligations under finance lease	32	-
Total	43	-

Obligations under finance lease denominated in foreign currency as at 31 December 2014:

	SGD'000	RM'000
Singapore Dollars	16	-

The Group does not have any current or non-current debt securities denominated in Ringgit Malaysia or foreign currency as at 31 December 2014.

B9 Material Litigation

There is no pending material litigation at the date of this report.

B10 Dividend Payable

- The Board of Directors is recommending a final single-tier dividend of 6.00 sen per share in respect of the financial year ended 31 December 2014 for shareholders' approval at the forthcoming Annual General Meeting. (Year 2013: Final single-tier dividend of 6.0 sen per share.)
- The total single-tier dividend declared and paid to-date in the current financial year is 9.50 sen per share based on the enlarged share capital of RM 117 million. (Year 2013: Total single-tier dividends of 10.0 sen per share.)
- Subject to the approval of shareholders at the forthcoming Annual General Meeting of the Company, the final dividend will be paid on 17 June 2015 and the entitlement date for the payment is 3 June 2015.

B11 Earnings per share

The following reflect the profit and share data used in the computation of basic and diluted earnings per share:

		3 MONTHS ENDED		YEAR ENDED	
		31/12/2014	31/12/2013	31/12/2014	31/12/2013
<u>Basic Earnings per share</u>					
Profit after tax	RM'000	9,522	7,616	33,864	30,022
Weighted average number of ordinary shares in issue	'000	117,146	117,146	117,146	117,146
Basic earnings per share	sen	8.13	6.50	28.91	25.63
<u>Diluted Earnings per share</u>					
Profit after tax	RM'000	9,522	7,616	33,864	30,022
Weighted average number of ordinary shares in issue	'000	117,146	117,146	117,146	117,146
Diluted earnings per share	sen	8.13	6.50	28.91	25.63

The basic and diluted earnings per share for the previous year have been restated as result of the adjustment to the weighted average number of ordinary shares in issue which has taken into account the one-for-four bonus issue as if the event had occurred at the beginning of the previous year.

B NOTES PURSUANT TO BURSA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A (continued)

B12 Derivative Financial Instruments

a The Group's derivative financial instruments as at 31 December 2014 are as follows -

Type of Derivatives Forward Currency Contracts	Contract / Notional Amount RM'000	Changes in Fair Value	
		Assets RM'000	Liabilities RM'000
<u>Less than 1 year</u>			
Sale of goods	3,599	85	-
Purchase of goods	(3,599)	89	-
	<u>-</u>	<u>174</u>	<u>-</u>

b The Group does not anticipate any market or credit risks arising from these derivatives.

c The net cash requirements relating to these contracts was nil.

d There have been no changes since the end of the previous financial year in respect of the following:

- (i) the types of derivative contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
- (ii) the risk management policies in place for mitigating and controlling the risks jointly-controlled entity with these derivative contracts; and
- (iii) the related accounting policies.

B13 Fair Value Changes of Financial Liabilities

As at 31 December 2014, the Group does not have any significant financial liabilities measured at fair value through profit or loss other than the disclosure in note A16.

B14 Realised and Unrealised Profits/Losses Disclosure

	Year ended	
	31/12/2014 RM'000	31/12/2013 RM'000
Total retained earnings of the Group:		
Realised	159,516	159,851
Unrealised	(2,597)	(3,204)
	<u>156,919</u>	<u>156,647</u>
Total share of results of an associate		
Realised	140	(777)
	<u>157,059</u>	<u>155,870</u>
Less: Consolidation adjustments	(18,451)	(17,974)
Total Group's retained earnings as per consolidated accounts	<u>138,608</u>	<u>137,896</u>

B15 Auditors' report on preceding annual financial statements

The Auditors' report on the Group's financial statements for the year ended 31 December 2013 was not qualified.

Authorisation for issue

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors dated 25th February 2015.