

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2015**

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		<u>Current</u>	<u>Corresponding</u>	<u>Current Period</u>	<u>Corresponding</u>
		<u>Quarter</u>	<u>Quarter</u>	<u>To Date</u>	<u>Period To Date</u>
		<u>31.03.15</u>	<u>31.03.14</u>	<u>31.03.15</u>	<u>31.03.14</u>
		RM'000	RM'000	RM'000	RM'000
Revenue	7	219,056	147,750	219,056	147,750
Cost of sales		(162,946)	(102,721)	(162,946)	(102,721)
Gross profit		56,110	45,029	56,110	45,029
Other operating income		1,767	4,830	1,767	4,830
Operating expenses		(30,078)	(27,571)	(30,078)	(27,571)
Profit from operation		27,799	22,288	27,799	22,288
Finance costs		(951)	(582)	(951)	(582)
Profit before taxation	7	26,848	21,706	26,848	21,706
Taxation	18	(7,960)	(6,188)	(7,960)	(6,188)
Profit after taxation	19	18,888	15,518	18,888	15,518
Other Comprehensive Income					
Items that will be reclassified subsequently to profit or loss:					
Currency translation differences		(372)	(229)	(372)	(229)
Total comprehensive income		18,516	15,289	18,516	15,289
Profit attributable to:					
Equity holders of the Company		13,106	10,600	13,106	10,600
Non-controlling Interests		5,782	4,918	5,782	4,918
		18,888	15,518	18,888	15,518
Total comprehensive income attributable to:					
Equity holders of the Company		12,613	10,292	12,613	10,292
Non-controlling Interests		5,903	4,997	5,903	4,997
		18,516	15,289	18,516	15,289
Earnings per share attributable to equity holders of the parent (sen)					
- Basic	27	3.91	3.23	3.91	3.23

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015**

		Unaudited as at <u>31.03.15</u> RM'000	<u>Audited</u> as at <u>31.12.14</u> RM'000
ASSETS			
Non-current Assets			
Investment in associated companies		57	57
Property, plant & equipment		175,344	172,258
Investment property		59,161	58,705
Land held for property development		1,957	2,000
Goodwill on consolidation		36	36
Long term investments		225	225
Deferred tax assets		59	58
		<hr/> 236,839	<hr/> 233,339
Current Assets			
Inventories		1,596	1,472
Property development costs		11,025	11,808
Amount owing by contract customers		132,014	102,109
Receivables		356,463	285,595
Amount owing by associates		2,631	3,616
Tax recoverable		2,408	3,039
Short term investments		1,563	663
Deposits with licenced banks		61,984	187,614
Cash and bank balances	24	53,312	96,947
		<hr/> 622,996	<hr/> 692,863
TOTAL ASSETS		<hr/> 859,835	<hr/> 926,202

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015**

		Unaudited as at <u>31.03.15</u> RM'000	<u>Audited</u> as at <u>31.12.14</u> RM'000
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	22	167,636	167,636
Treasury shares, at cost	23	(1,569)	(3)
Share premium		73,719	73,719
Other reserves		(2,521)	(2,028)
Retained profits		107,276	94,170
		<u>344,541</u>	<u>333,494</u>
Non-controlling Interests		44,830	42,442
Total equity		<u>389,371</u>	<u>375,936</u>
Non-current liabilities			
Deferred taxation		9,212	9,212
Long term borrowings	21	92,775	92,732
		<u>101,987</u>	<u>101,944</u>
Current Liabilities			
Payables		271,219	327,342
Dividend payable	13	-	16,763
Taxation		10,537	9,901
Short term borrowings	21	64,861	75,081
Bank overdrafts	21	21,860	19,235
		<u>368,477</u>	<u>448,322</u>
Total Liabilities		<u>470,464</u>	<u>550,266</u>
TOTAL EQUITY AND LIABILITIES		<u>859,835</u>	<u>926,202</u>
Net assets per share (RM)		1.03	0.99

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2015**

	Share capital	Treasury shares	Share premium	Foreign Exchange reserve	Employee Share Option reserve	Capital reserve	Retained profits	Attributable to owner of the Company	Non-controlling interests	Total equity
	RM' 000	RM'000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
At 1 January 2014	166,113	(18,329)	64,363	(11,043)	973	8,600	177,804	388,481	37,511	425,992
Net profit for the financial period	-	-	-	-	-	-	10,600	10,600	4,918	15,518
Other comprehensive income for the financial year										
- Foreign currency translation	-	-	-	(307)	-	-	-	(307)	78	(229)
Total comprehensive income for the financial year	-	-	-	(307)	-	-	10,600	10,293	4,996	15,289
Contributions by and distributions to owners of the Company										
- Acquisition of a subsidiary	-	-	-	-	-	-	-	-	6,130	6,130
- Issuance of shares	643	-	888	-	-	-	-	1,531	-	1,531
- Transfer to share premium upon exercise of share option	-	-	199	-	(199)	-	-	-	-	-
- Treasury shares acquired	-	(2)	-	-	-	-	-	(2)	-	(2)
- Treasury shares sold	-	18,329	6,340	-	-	-	-	24,669	-	24,669
Total transaction with owners of the Company	643	18,327	7,427	-	(199)	-	-	26,198	6,130	32,328
At 31 March 2014	166,756	(2)	71,790	(11,350)	774	8,600	188,404	424,972	48,637	473,609
At 1 January 2015	167,636	(3)	73,719	(10,903)	-	8,875	94,170	333,494	-	42,442
Net (loss)/profit for the financial year	-	-	-	-	-	-	13,106	13,106	5,782	18,888
- Foreign currency translation	-	-	-	(493)	-	-	-	(493)	121	(372)
Total comprehensive (expense)/income for the financial year	-	-	-	(493)	-	-	13,106	12,613	5,903	18,516
Contributions by and distributions to owners of the Company										
- Issuance of share capital	-	-	-	-	-	-	-	-	-	-
- Treasury shares acquired	-	(1,566)	-	-	-	-	-	(1,566)	-	(1,566)
- Treasury shares sold	-	-	-	-	-	-	-	-	-	-
- Transfer to share premium upon exercise of share option	-	-	-	-	-	-	-	-	-	-
- Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-
- Dividends:										
- by the Company	-	-	-	-	-	-	-	-	-	-
- by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	(3,515)	(3,515)
At 31 March 2015	167,636	(1,569)	73,719	(11,396)	-	8,875	107,276	344,541	44,830	389,371

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE PERIOD ENDED 31 MARCH 2015**

	Unaudited For the Financial Period Ended 31.03.2015 RM' 000	Unaudited For the Financial Period Ended 31.03.2014 RM' 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	26,848	21,706
Adjustments for:		
Depreciation of property, plant and equipment	3,434	3,470
Loss/(Gain) on disposal of property, plant and equipment	5	(94)
Interest expense	1,858	618
Interest income	(633)	(1,160)
Property, plant and equipment written off	-	(1)
Reversal of allowance for doubtful debts	-	(532)
Tax exempt dividends received from investment in unit trusts	(9)	(94)
Unrealised (gain)/loss on foreign exchange	(303)	1,163
Operating profit before working capital changes	<u>31,200</u>	<u>25,076</u>
(Increase)/Decrease in inventories	(124)	37
Decrease/(Increase) in property development cost	783	(10,113)
Increase in amount owing by contract customer	(29,904)	-
(Increase)/Decrease in receivables	(70,871)	76,504
Decrease in payables	(56,125)	(114,230)
Decrease in amount owing by associates	985	693
CASH FOR OPERATIONS	<u>(124,056)</u>	<u>(22,033)</u>
Interest paid	(1,858)	(618)
Income tax paid	<u>(6,693)</u>	<u>(7,248)</u>
NET CASH FOR OPERATING ACTIVITIES	<u>(132,607)</u>	<u>(29,899)</u>
CARRIED FORWARD		

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE PERIOD ENDED 31 MARCH 2015**

	Unaudited For the Financial Period Ended 31.03.2015 RM' 000	Unaudited For the Financial Period Ended 31.03.2014 RM' 000
NET CASH FOR OPERATING ACTIVITIES		
BROUGHT FORWARD	(132,607)	(29,899)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	633	1,160
Net cash outflow on acquisition of a subsidiary	-	(18,525)
Placement of deposits pledged with licensed banks	(10,928)	-
Proceeds from disposal of property, plant and equipment	176	203
Proceeds from disposal of unquoted shares	-	35
Purchase of property, plant and equipment	(6,696)	(2,023)
Purchase of investment property	(456)	-
Purchase of leasehold land	-	(29,592)
Purchase of short term investment	(900)	-
Resale/(Purchase) of treasury shares	(1,566)	25,555
Tax-exempt dividends received from investment in unit trusts	9	94
Proceeds from disposal of marketable unit trusts	-	12,410
Net cash for investing activities	<u>(19,728)</u>	<u>(10,683)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(16,763)	(36,195)
Dividend paid to Non-controlling Interests	(3,515)	-
Proceed from issuance of new shares	-	644
Net (repayment)/drawdown of borrowings	(10,177)	12,515
Net cash for financing activities	<u>(30,455)</u>	<u>(23,036)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(182,790)	(63,618)
FOREIGN EXCHANGE TRANSLATION DIFFERENCES	(451)	23
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	260,151	207,410
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>76,910</u>	<u>143,815</u>

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

	For the Financial Period Ended 31.03.2015 RM' 000	For the Financial Period Ended 31.03.2014 RM' 000
Cash and bank balances	53,312	56,220
Deposits with licensed banks	61,984	105,242
Bank overdrafts	<u>(21,860)</u>	<u>(14,122)</u>
	93,436	147,340
Less : Deposits pledged to licensed banks	(16,526)	(3,525)
	<u>76,910</u>	<u>143,815</u>

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

PART A - EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (FRS 134)

1. Basis of Accounting and Accounting Policies

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with FRS134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2014. The explanatory notes attached to the financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2014.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2014, except for the adoption of the Amendments and Annual Improvements to Standards effective as of 1 January 2015.

The Group has adopted the following Amendments to Standards, with a date of initial application of 1 January 2015.

Amendments to FRS 119	Employee Benefits – Defined Benefit Plans: Employee Contributions
Annual Improvements to FRSs 2010 - 2012 Cycle	
Annual Improvements to FRSs 2011 - 2013 Cycle	

The above new amendments to standard do not have any financial impact on the results of the Group as these changes only affect disclosures.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

2. Changes in Accounting Policies (Cont'd)

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after	
FRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to FRS 11	Joint Arrangements Accounting for Acquisitions of Interest in Joint Operations	1 January 2016
Amendments to FRS 101	Presentation of Financial Statements - Disclosure Initiative	1 January 2016
Amendments to FRS 127	Consolidated and Separate Financial Statements – Equity Method in Financial Statements	1 January 2016
Amendments to FRS 10 and FRS 128	Consolidated Financial Statements and Investments in Associates and Joint Venture - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to FRS 116 and FRS 138	Property, Plant and Equipment and Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128	Consolidated Financial Statements, Disclosure of Interests in Other Entities and Investments in Associates and Joint Venture - Investment Entities: Applying the Consolidation Exception	1 January 2016
Annual Improvements to FRSs 2012 - 2014 Cycle		1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
FRS 9	Financial Instruments (IFRS 9 issued by International Accounting Standards Board (IASB) in July 2014)	1 January 2018

The Group will adopt the above pronouncements when they become effective in the respective financial periods. The Group does not expect any material impact to the financial statements on the above pronouncement other than described below.

FRS 9 (IFRS 9 issued by IASB in July 2014) replaces the existing guidance in FRS 139 and introduces a revised guidance on the classification and measurement of financial instruments, including a single forward-looking 'expected loss' impairment model for calculating impairment on financial assets, and a new approach to hedge accounting. Under this FRS 9, the classification of financial assets is driven by cash flow characteristics and the business model in which a financial asset is held. The adoption of FRS 9 will result in a change in accounting policy. The Group is still assessing the financial impact of adopting FRS 9.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

2. Changes in Accounting Policies (Cont'd)

Malaysian Financial Reporting Standards (MFRS Framework)

MASB has issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRSs"), that are to be applied by all entities other than private entities; with the exception of entities that are within the scope of MFRS 141 (Agriculture) and IC Interpretation 15 (Agreements for Construction of Real Estate), including its parent, significant investor and venturer (herein called "transitioning entities"). As announced by MASB on 2 September 2014, the transitioning entities are allowed to defer the adoption of MFRSs to annual periods beginning on or after 1 January 2017.

Accordingly, as a transitioning entity as defined above, the Group has chosen to defer the adoption of MFRSs and will only prepare its first set of MFRS financial statements for the financial year ending 31 December 2017. The Group is currently assessing the possible financial impacts that may arise from the adoption of MFRSs and the process is still ongoing.

3. Declaration of audit qualification

The preceding audited financial statements of the Company were reported without any qualification.

4. Seasonal or Cyclical Factors

The Group's business operations for the quarter ended 31 March 2015 were not materially affected by significant seasonal or cyclical fluctuations.

5. Unusual Items Due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2015.

6. Changes in estimates

There were no major changes in estimates that have had a material effect in the current quarter.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015
7. Segmental Information

	REVENUE		PROFIT BEFORE TAX	
	3 months ended	3 months ended	3 months ended	3 months ended
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
OPERATING SEGMENTS	RM'000	RM'000	RM'000	RM'000
Maintenance	94,781	50,786	17,111	16,732
Construction	132,868	28,566	5,619	2,442
Property Development	25,019	21,242	2,586	4,262
Engineering Services	18,413	10,992	2,213	2,224
Trading & Manufacturing	35,860	32,745	761	1,133
Education	14,509	12,232	(631)	(539)
Others & Eliminations	(102,394)	(8,813)	(811)	(4,548)
GROUP	219,056	147,750	26,848	21,706

8. Valuation of property, plant and equipment

The Group did not carry out any valuation on property, plant and equipment during the current quarter under review.

9. Subsequent events

There was no event subsequent to the end of the current quarter up to 20 May 2015, being the last practicable date from the date of the issue of this report that are expected to have a material impact on the Group.

10. Changes in Composition of the Group

There was no material changes in the composition of the Group during the financial period ended 31 March 2015.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015
11. Contingent Liabilities

The changes in contingent liabilities are as follows:

	<u>As at</u> <u>31.03.2015</u> (RM'000)	<u>As at</u> <u>31.12.2014</u> (RM'000)
Guarantees given to financial institutions in respect of credit facilities granted to subsidiary companies	257,117	179,769
Corporate guarantees given to suppliers for credit facilities granted to subsidiary companies	34,000	33,800
Guarantee given to Government of Malaysia for repayment of advance payment	8,700	8,700
Guarantee given to Government of Malaysia for performance bond for services rendered	9,152	3,106
Performance guarantee extended to third parties	14,650	8,081

12. Capital Commitments

	<u>As at</u> <u>31.03.2015</u> RM'000
Approved and contracted for	679
Approved but not contracted for	<u>11,365</u>
	<u>12,044</u>

13. Dividend

- (i) In respect of the financial year ending 31 December 2015, the Board of Directors on 27 May 2015 declared an interim dividends of 4 sen net per ordinary shares amounted to approximately RM13.373 million, computed based on the issued and paid up capital as at 31 March 2015 (excluding treasury shares) of 334,335,090.

The financial statements for the current financial period do not reflect this proposed dividend.

- (ii) In respect of the financial year ended 31 December 2014, dividends paid were as follows:

	RM'000
Interim dividend of 5 sen net per ordinary share paid on 1 January 2015	16,763

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015
PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APP'X 9B OF THE MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD
14. Analysis of Unaudited Performance of the Group by Operating Segment

During the quarter ended 31 March 2015, the Group recorded RM219.1 million of revenue, an improvement of 48.3% over the preceding year corresponding quarter of RM147.8 million. The improvement was contributed from all segments of business.

Profit after taxation attributable to the Group increased from RM10.6 million to RM13.1 million. The increase was mainly contributed from construction division.

Analysis of segmental results is as follows:

i) Maintenance

	Qtr ended 31.03.2015 RM'000	Qtr ended 31.03.2014 RM'000	Y-T-D ended 31.03.2015 RM'000	Y-T-D ended 31.03.2014 RM'000
Revenue	94,781	50,786	94,781	50,786
Profit Before Tax ("PBT")	17,111	16,732	17,111	16,732

Maintenance segment recorded an increase in revenue by 87% due to increase periodic maintenance works awarded resulting from the natural disaster in the east coast of Malaysia. However, the PBT increase marginally by 2% mainly due to periodic works with emergency in nature yield a lower profit margin compared to regular routine works.

ii) Construction

	Qtr ended 31.03.2015 RM'000	Qtr ended 31.03.2014 RM'000	Y-T-D ended 31.03.2015 RM'000	Y-T-D ended 31.03.2014 RM'000
Revenue	132,868	28,566	132,868	28,566
Profit Before Tax ("PBT")	5,619	2,442	5,619	2,442

Construction revenue and PBT increase more than 100% mainly due to contribution from Perumahan Penjawat Awam 1Malaysia project which commenced in the third quarter of 2014. As at the end of the current quarter, the project was 26% completed.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015
iii) Property Development

	Qtr ended 31.03.2015 RM'000	Qtr ended 31.03.2014 RM'000	Y-T-D ended 31.03.2015 RM'000	Y-T-D ended 31.03.2014 RM'000
Revenue	25,019	21,242	25,019	21,242
Profit Before Tax ("PBT")	2,586	4,262	2,586	4,262

Revenue from property development segment increase by 18% mainly contribution from the Group's mix development projects, De Centrum Phase 1 and Phase 2A. However, the PBT decrease by 39% mainly due to additional construction cost incurred for Phase 1.

As at 31 March 2015, Phase 1 was 62% completed and Phase 2A was 14% completed.

iv) Engineering Services

	Qtr ended 31.03.2015 RM'000	Qtr ended 31.03.2014 RM'000	Y-T-D ended 31.03.2015 RM'000	Y-T-D ended 31.03.2014 RM'000
Revenue	18,413	10,992	18,413	10,992
Profit Before Tax ("PBT")	2,213	2,224	2,213	2,224

This segment continue to record higher revenue in the current quarter mainly due to increase contribution from geotechnical and pavement evaluation works.

PBT decrease due to higher direct cost incurred as compared to the same quarter previous year.

v) Trading and Manufacturing

	Qtr ended 31.03.2015 RM'000	Qtr ended 31.03.2014 RM'000	Y-T-D ended 31.03.2015 RM'000	Y-T-D ended 31.03.2014 RM'000
Revenue	35,860	32,745	35,860	32,745
Profit Before Tax ("PBT")	761	1,133	761	1,133

Current quarter revenue increase by 10% compared to preceding year corresponding quarter mainly due to increase in demand for pavement materials.

PBT decrease by 33% due to higher operating expenses incurred.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015
vi) Education

	Qtr ended 31.03.2015 RM'000	Qtr ended 31.03.2014 RM'000	Y-T-D ended 31.03.2015 RM'000	Y-T-D ended 31.03.2014 RM'000
Revenue	14,509	12,232	14,509	12,232
Loss Before Tax	(631)	(539)	(631)	(539)

IUKL recorded improvement in revenue by 19% mainly due to higher student intake in March 2015. However, the PBT decrease by 17% mainly due to higher operating cost incurred.

The students population as at the end of the current quarter stood at 3,409.

15. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

During the preceding quarter, the Group's recorded loss after taxation and non-controlling interests of RM4.1 million mainly due to the impairment loss on coal trade deposits made to PT Goldchild Integritas Abadi.

16. Commentary on Prospects

The Group anticipates that the three main segments, i.e. Maintenance, Construction and Property Development, will continue to be the Group's main contributor to its revenue and profits in 2015.

The Group will also continue to explore other business opportunities, both locally and internationally, to further enhance the shareholders' value.

Barring unforeseen circumstances, the Board of Directors is cautiously optimistic that the Group will continue to improve its overall performance in 2015.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015
17. Profit Forecast or Profit Guarantee

Not applicable.

18. Taxation

Taxation represents current period provision.

The effective tax rate for the current quarter was higher than the statutory tax rate principally due to losses of certain subsidiary companies that cannot be offset against taxable profits made by the other subsidiaries and non-allowable expenses incurred.

19. Profit after Taxation

	<u>Current</u> <u>Period To Date</u> <u>31.03.2015</u>	<u>Corresponding</u> <u>Period To Date</u> <u>31.03.2014</u>
	RM'000	RM'000
Profit for the financial period is arrived at after (crediting) / charging:		
Unrealised (gain)/loss on foreign exchange	(303)	1,163
Depreciation of property, plant and equipment	3,434	3,470
Loss/(Gain) on disposal of property, plant and equipment	5	(94)
Interest expense	1,858	618
Interest income	(633)	(1,160)
Other income including investment income	(1,125)	(3,576)
Write-back of impairment losses on receivables	-	(532)
	<hr/>	<hr/>

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

20. Corporate Proposals

There was no corporate proposal announced but not completed in the current quarter up to 20 May 2015, being the last practicable date from the date of the issue of this report.

21. Borrowings and Debt Securities

	<u>As at</u> <u>31.03.2</u> <u>015</u> RM'000	<u>As at</u> <u>31.12.2014</u> RM'000
Secured :		
Short term borrowings	64,861	75,081
Long term borrowings	92,775	92,732
Bank overdrafts	21,860	19,235
Total borrowings	<u>179,496</u>	<u>187,048</u>

There is no borrowing denominated in foreign currency.

22. Share Capital

There is no movement in share capital during the financial period.

23. Treasury Shares

	Average Price (RM)	RM'000
As at 1 January 2015		3
Purchase of 935,000 units	1.67	1,566
As at 31 March 2015		<u>1,569</u>

24. Cash and Bank Balances

Included in cash and bank balances of the Group is a sum of RM7.18 million (2014: RM2.47 million) held under a Housing Development Account pursuant to Section 7A of the Housing Developer (Control & Licensing) Act 1966.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

25. Off Balance Sheet Financial Instruments

The Group does not have any off balance sheet financial instruments as at the date of this announcement.

26. Material Litigations

Other than stated below, there were no changes in material litigation since the last annual balance sheet date:

- (i) *Protasco Berhad v PT Anglo Slavic Utama ("1st Defendant"), Tey Por Yee ("2nd Defendant") and Ooi Kok Aun ("3rd Defendant")*

On 28 December 2012, the Company entered into a conditional Sale and Purchase Agreement ("Conditional SPA") with PT Anglo Slavic Utama ("PT ASU") to acquire 95,000,000 ordinary shares of IDR1,000 each in PT Anglo Slavic Indonesia ("PT ASI"), representing 76% equity interest in PT ASI for a proposed purchase consideration of USD55 million.

PT ASI holds 95% equity interest in PT Firman Andalan Sakti ("PT FAS") which in turn holds 70% equity interest in PT Hase Bumou Aceh ("PT Haseba") ("PT ASI Group"). PT Haseba has a 10 year production management partnership agreement ("PMP Agreement") with PT Pertamina (PERSERO) ("Pertamina") to develop and to produce oil and gas in the Kuala Simpang Timur Field ("KST Field") from 14 December 2004.

On 29 January 2014, the Company entered into an amended and restated Sale and Purchase Agreement ("Restated SPA") with PT ASU to amend, vary and restate, in its entirety, the Conditional SPA. With the execution of the Restated SPA, the Company acquired 78,750,000 ordinary shares of IDR1,000 each in PT ASI representing 63% equity interest in PT ASI from PT ASU for a total purchase consideration of USD22.0 million (RM68,393,170). The purchase consideration was paid by off-setting the deposit of RM50.0 million and the balance was paid by cash.

The Restated SPA is subject to, amongst others, the following Conditions Subsequent to the completion of the Restated SPA within 6 months from the date of the Restated SPA (Conditional Period):-

- (i) Consent of Pertamina;
- (ii) Extension of the PMP Agreement for a further ten (10) year period; and
- (iii) Issuance of SKT Migas licence by the Ministry of Energy and Mineral Resources' General of Oil and Gas Indonesia to PT Haseba.

In January 2014, the Company paid the balance of purchase consideration of RM18,393,170 to PT ASU. The Company also made an advance of RM16,250,000 for the working capital of PT ASI.

The total purchase consideration paid to PT ASU and advance made to PT ASI amounted to RM84,643,170.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

26. Material Litigations (Cont'd)

- (i) *Protasco Berhad v PT Anglo Slavic Utama ("1st Defendant"), Tey Por Yee ("2nd Defendant") and Ooi Kok Aun ("3rd Defendant") (cont'd)*

On 5 August 2014, the Company announced that the Conditions Subsequent pursuant to the completion of Restated SPA had not been fulfilled by PT ASU within the Condition Period and accordingly, the Restated SPA lapsed on 28 July 2014. The Company terminated the Restated SPA on 4 August 2014.

On 22 September 2014, the Company filed a legal suit against PT ASU and two former directors of the Company for the refund of the purchase consideration and advance.

The total amount claimed against PT ASU and the two former directors ("Defendants") are as follows:

Against PT ASU

- i. A payment of USD22 million;
- ii. Pre-judgement interest on USD22 million pursuant to Section 11 of the Civil Law Act 1956 from the date of the suit until the date of judgement at an interest rate of 5% per annum;
- iii. Post judgement interest on USD22 million pursuant to Order 42 Rule 12 of the Rules of Court 2012 from the date of judgement until full and final settlement thereof at an interest rate of 5% per annum; and
- iv. Damages for the breach of the Restated SPA.

Against two former directors

- i. A payment of USD27 million (including an advance of USD5.0 million to PT ASI for the purpose of exploration, wells re-activation and/or construction of wells);
- ii. Pre-judgement interest on USD27 million pursuant to Section 11 of the Civil Law Act 1956 from the date of the suit until the date of judgement at an interest rate of 5% per annum;
- iii. Post judgement interest on USD27 million pursuant to Order 42 Rule 12 of the Rules of Court 2012 from the date of judgement until full and final settlement thereof at an interest rate of 5% per annum;
- iv. Damages for fraud and conspiracy; and
- v. General damages, aggravated and exemplary.

On 3 October 2014, the Court has directed the 2nd Defendant and the 3rd Defendant to enter appearance by 16 October 2014 and to file their Statement of Defence by 30 October 2014. The 2nd Defendant and the 3rd Defendant had, on 28th October filed their Statement of Defence. The 1st Defendant has entered its appearance on 10 October 2014

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

26. Material Litigations (Cont'd)

- (i) *Protasco Berhad v PT Anglo Slavic Utama ("1st Defendant"), Tey Por Yee ("2nd Defendant") and Ooi Kok Aun ("3rd Defendant") (cont'd)*

As an update:

Challenge Warrant to Act Proceeding

PB has filed an application to challenge the Warrant to Act of the Solicitor acting for the 1st Defendant, Messrs. Rashid Zulkifli on the premise that there's no proper and/or valid resolution and/or power of attorney. It has been fixed for hearing on 27 February 2015. The application has been withdrawn on 15 April 2015 with no order as to costs due to subsequent ratifications of their appointment and confirmation by PB's Indonesian Solicitors that the appointment is valid.

Stay of Proceeding

The Defendants have filed an application for a Stay of Proceeding and refer the Suit to Arbitration pursuant to Clause 21.3 of the Restated SPA. It has been fixed for Hearing on 19 June 2015.

Contempt Proceeding

PB has filed an application for Contempt of Court against the 2nd and 3rd Defendant and one Mr. Gideon Tan from Messrs. Gideon Tan Razali Zaini, Advocates & Solicitors, the previous Solicitor for the 2nd and 3rd Defendant for attempted to pervert and or obstruct the course of justice by interfering with the evidence of a key witness of PB in this Suit. It has been fixed for Hearing on 6 July 2015.

Bank Account Discovery Proceeding

PB has filed an application for discovery (to inspect and make copies) of the bank account records of the 1st Defendant and few other companies related to this Suit in accordance with Section 6 and/or Section 7 of Bankers' Book (Evidence) Act 1949 and/or in accordance with the inherent power of the Court under Order 92 Rule 4 of the Rules of Court 2012. Such inspection and copies of the records shall be used as evidence to prove that PB had been made a victim of deception and fraud by the defendants. It has been fixed for Case Management on 19 June 2015.

Full Trial

The Court has fixed 1st to 2nd October 2015 for the Full Trial of this Suit.

Notwithstanding the above litigation, the purchase consideration paid and advance made amounting to RM68,393,170 and RM16,250,000 respectively have been fully impaired in the previous financial year.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

26. Material Litigations (Cont'd)

(ii) Kingdom Seekers Ventures Sdn Bhd v Protasco Berhad and 7 others

PB had on 28 October 2014, been served with a derivative action by Kingdom Seekers Ventures Sdn Bhd ("Kingdom Seekers") suing in a representative capacity for and on behalf of PB and/or for the benefit of PB. PB is named as the 7th Defendant by virtue of the representative claim.

Kingdom Seekers has alleged that Dato' Sri Chong Ket Pen has purportedly received financial gains through RS Maha Niaga Sdn Bhd, a company purportedly under the control and/or the alter ego of Dato' Sri Chong Ket Pen, from PB's oil and gas dealings with an Indonesian party, PT Anglo Slavic Utama and from PB's wholly owned subsidiary namely, Protasco Trading Sdn Bhd's ("PTSB") coal/bitumen dealings with another Indonesian party, PT Goldchild Integritas Abadi ("Goldchild").

Kingdom Seekers is a company controlled by one of PB's former director, namely Mr. Tey Por Yee and is a substantial shareholder of PB.

As an update:

- i. Defence – PB has filed its Defence on 2 December 2014.
- ii. Striking Out Proceeding – PB has on 22 January 2015 filed an application to strike out the Suit. The Court has, on 21 April 2015 allowed PB'S and 7 others' application to strike out the Suit with costs of RM15,000.00 each.
- iii. Appeal - Kingdom Seekers has served a notice of appeal dated 27 April 2015 appealing against the decision delivered by the High Court on 21 April 2015. A case management date for the Appeal is fixed on 11 June 2015.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

26. Material Litigations (Cont'd)

(iii) Protasco Trading Sdn Bhd vs PT Goldchild Integritas Abadi and Ooi Kock Aun

Protasco Trading Sdn Bhd ("PTSB"), a wholly owned subsidiary of the Company, had entered into an agreement dated 4 February 2013 ("the Agreement") to undertake coal trades with PT Goldchild Integritas Abadi ("Goldchild").

Pursuant to the terms of the Agreement and to facilitate coal purchases, a deposit ("Deposit") of USD5,161,290 or approximately RM16,000,000 was paid by PTSB to Goldchild on 4 February 2013. The Deposit is to be deducted in stages against future coal trades.

On 19 July 2013, PTSB entered into a Coal Stockpile Joint Venture Agreement with Goldchild to provide a sum of not exceeding USD900,000 or approximately RM2,904,000 for the purpose of the joint venture to purchase coal in Indonesia and resell the coal to potential buyers, subject to such terms and conditions as stipulated in the Coal Stockpile Joint Venture Agreement.

On 22 September 2014, the Company filed a legal suit against Goldchild and one of the former directors when the Company uncovered that the former director has an undisclosed interest in Goldchild.

As an update:

Defence

Ooi Kock Aun has filed its Defence on 14 January 2015.

Reply to Defence

PTSB has filed its Reply to Ooi Kock Aun's Defence on 29 January 2015.

Writ of Summons on Goldchild

PTSB has served the Writ to Goldchild and they have entered Appearance on 12 April 2015.

Striking Out Application

Ooi Kock Aun has filed the application on 5 March 2015. The Hearing date is on 14 July 2015.

Stay of Proceeding

Goldchild had on 8 May 2015 filed an application to stay this legal proceedings pending arbitration. At the case management held on 21 May 2015, the Court fixed the Hearing date on 14 July 2015.

Full Trial

The Court has fixed 28 and 29 September 2015 for the Full Trial of this Suit.

Notwithstanding the above litigation, the coal trade deposits made to Goldchild amounted to RM18,904,000 had been fully impaired in the previous financial year.

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015
27. Earnings Per Share

	<u>3 months ended 31.03.2015</u>
Net profit attributable to ordinary shareholders (RM'000)	13,106
Weighted average number of ordinary shares in issue less Treasury Shares ('000)	334,952
Basic earnings per share (sen)	3.91

28. Realised and unrealised retained profit

	Unaudited As at 31.03.2015 RM'000	Audited As at 31.12.2014 RM'000
Total retained profits		
- Realised	217,960	205,770
- Unrealised	(9,283)	(9,598)
	<u>208,677</u>	<u>196,172</u>
Total share of retained profits of associates	(64)	(64)
Less : Consolidation adjustments	(101,337)	(101,938)
Total Group Retained Profits	<u><u>107,276</u></u>	<u><u>94,170</u></u>

29. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the directors on 27 May 2015.