

Pharmaniaga Berhad (467709-M)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the quarter ended 30 June 2014	Current Period		Cumulative Period	
(All figures are stated in RM'000)	2014	2013	2014	2013
Revenue	525,072	437,633	993,744	937,972
Cost of sales	(445,124)	(376,946)	(831,984)	(789,780)
Gross profit	79,948	60,687	161,760	148,192
Other income	150	329	727	1,205
Operating expenses	(52,286)	(48,327)	(93,205)	(96,001)
Finance costs	(3,524)	(3,389)	(7,058)	(7,408)
Interest income	334	305	557	541
Profit before taxation	24,622	9,605	62,781	46,529
Taxation	(8,665)	(3,434)	(20,178)	(15,205)
Profit for the period	15,957	6,171	42,603	31,324
Profit for the period attributable to:				
Owners of the parent	15,975	5,865	42,192	30,636
Non-controlling interests	(18)	306	411	688
Profit for the period	15,957	6,171	42,603	31,324
Earnings per share - sen				
Basic	6.17	2.27	16.30	11.83

The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

Pharmaniaga Berhad (467709-M)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT (CONTINUED)

For the quarter ended 30 June 2014	Current Period		Cumulative Period	
(All figures are stated in RM'000)	2014	2013	2014	2013
Profit for the period	15,957	6,171	42,603	31,324
<u>Other comprehensive (loss)/income, net of tax</u>				
Foreign currency translation difference in respect of foreign operations	(3,336)	221	(377)	264
	<u>(3,336)</u>	<u>221</u>	<u>(377)</u>	<u>264</u>
Total comprehensive income for the period	<u>12,621</u>	<u>6,392</u>	<u>42,226</u>	<u>31,588</u>
Attributable to:				
Owners of the parent	13,874	5,987	41,913	30,781
Non-controlling interests	(1,253)	405	313	807
Total comprehensive income for the period	<u>12,621</u>	<u>6,392</u>	<u>42,226</u>	<u>31,588</u>

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30 June 2014	As at 31 December 2013
(All figures are stated in RM'000)		
ASSETS		
Non-current assets		
Property, plant and equipment	361,907	353,368
Prepaid lease payments	1,049	1,075
Investment in an associate	19	19
Intangible assets	229,110	124,508
Deferred tax assets	14,361	6,625
	<u>606,446</u>	<u>485,595</u>
Current assets		
Inventories	407,411	410,531
Receivables	236,745	168,825
Tax recoverable	8,087	13,215
Deposits, cash and bank balances	20,640	32,900
	<u>672,883</u>	<u>625,471</u>
TOTAL ASSETS	<u>1,279,329</u>	<u>1,111,066</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	129,441	129,441
Reserves	373,698	358,191
Shareholders' equity	<u>503,139</u>	<u>487,632</u>
Non-controlling interests	21,079	15,631
Total equity	<u>524,218</u>	<u>503,263</u>
Non-current liabilities		
Loans and borrowings	242	318
Deferred tax liabilities	24,836	12,834
Provision for defined benefit plan	5,335	4,789
	<u>30,413</u>	<u>17,941</u>
Current liabilities		
Payables	398,553	387,404
Amount due to immediate holding company	59	200
Current tax liabilities	9,229	2,696
Loans and borrowings	316,857	199,562
	<u>724,698</u>	<u>589,862</u>
Total liabilities	<u>755,111</u>	<u>607,803</u>
TOTAL EQUITY AND LIABILITIES	<u>1,279,329</u>	<u>1,111,066</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

Pharmaniaga Berhad (467709-M)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2014	Attributable to shareholders of the Company					Non- controlling Interests	Total Equity
	Share Capital	* Share Premium	* Exchange Reserve	Retained Earnings	Total		
(All figures are stated in RM'000)							
At 1 January 2014	129,441	11,751	(4,131)	350,571	487,632	15,631	503,263
Total comprehensive income for the period	-	-	(279)	42,192	41,913	313	42,226
Transactions with owners							
Dividends	-	-	-	(26,406)	(26,406)	-	(26,406)
Acquisition of a subsidiary	-	-	-	-	-	4,949	4,949
Issue of shares by a subsidiary	-	-	-	-	-	186	186
At 30 June 2014	<u>129,441</u>	<u>11,751</u>	<u>(4,410)</u>	<u>366,357</u>	<u>503,139</u>	<u>21,079</u>	<u>524,218</u>
At 1 January 2013	117,674	11,751	(1,058)	343,651	472,018	15,835	487,853
Total comprehensive income for the period	-	-	145	30,636	30,781	807	31,588
Transaction with owners							
Bonus issue	11,767	-	-	(11,767)	-	-	-
Dividends	-	-	-	(20,593)	(20,593)	-	(20,593)
At 30 June 2013	<u>129,441</u>	<u>11,751</u>	<u>(913)</u>	<u>341,927</u>	<u>482,206</u>	<u>16,642</u>	<u>498,848</u>

* Denotes non distributable reserves

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

Pharmaniaga Berhad (467709-M)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS****For the quarter ended 30 June 2014**

(All figures are stated in RM'000)	2014	2013
Operating Activities		
Cash receipts from customers	939,736	909,574
Cash payments to suppliers and employees	(944,468)	(783,782)
Net cash (used in)/generated from operations	(4,732)	125,792
Interest paid	(6,812)	(8,993)
Tax paid	(4,705)	(17,818)
Interest received	545	518
Net cash (used in)/generated from operating activities	(15,704)	99,499
Investing Activities		
Acquisition of a subsidiary	(67,997)	-
Issue of shares by a subsidiary	186	-
Settlement on novation consideration	-	(21,083)
Purchase of property, plant and equipment	(11,260)	(15,922)
Purchase of intangible assets	(3,407)	(11,370)
Proceeds from disposal of property, plant and equipment	40	116
Net cash used in investing activities	(82,438)	(48,259)
Financing Activities		
Dividend paid	(26,406)	(20,593)
Net drawdown/(repayment) of borrowings	116,745	(47,633)
Net cash generated from/(used in) financing activities	90,339	(68,226)
Net decrease in cash and cash equivalents	(7,803)	(16,986)
Effects of exchange rate changes	(4,457)	(72)
Cash and cash equivalent at beginning of period	32,900	34,553
Cash and cash equivalent at end of period	20,640	17,495
Analysis of cash and cash equivalents		
Deposits, cash and bank balances	20,640	17,495

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134")

A1. Basis of Preparation

These unaudited condensed consolidated interim financial statements for the period ended 30 June 2014 have been prepared in accordance with MFRS134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

These unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013. The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2013.

A2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2013, except for the adoption of the following Amendments to Malaysian Financial Reporting Standards (MFRSs) which are applicable for the Group's financial period beginning 1 January 2014.

A2.1 Adoption of Amendments to MFRSs

On 1 January 2014, the Group adopted the following Amendments to MFRSs:-

Amendments to MFRS 10	Consolidated Financial Statements
Amendments to MFRS 12	Disclosure of Interests in Other Entities
Amendments to MFRS 127	Separate financial statements
Amendments to MFRS 132	Financial Instruments : Presentation
Amendments to MFRS 136	Impairment of Assets : Disclosures

Adoption of the above Amendments to MFRSs did not have any material effect on the financial performance, position or presentation of the Group.

A2.2 Amendments to MFRSs issued but not yet effective

At the date of authorisation of these interim financial statements, the following Amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

a) Annual Improvements to MFRSs 2010 - 2012 Cycle

- i) Amendments to MFRS 3 "Business Combinations" (effective from 1 July 2014) clarifies that when contingent consideration meets the definition of financial instrument, its classification as a liability or equity is determined by reference to MFRS 132 "Financial Instruments: Presentation" and that contingent consideration that is classified as an asset or a liability shall be subsequently measured at fair value at each reporting date and changes in fair value shall be recognised in profit or loss.
- ii) Amendments to MFRS 8 "Operating Segments" (effective from 1 July 2014) requires the disclosure of judgements made in applying the aggregation criteria to operating segments. This includes a brief description of the operating segments that have been aggregated and the economic indicators that have been assessed in determining that the aggregated operating segments share similar economic characteristics. The Amendment clarifies that reconciliation of the total reportable segments' assets to the entity's assets is required if that amount is regularly provided to the chief operating decision maker.
- iii) Amendments to MFRS 116 "Property, Plant and Equipment" and MFRS 138 "Intangible Assets" (effective from 1 July 2014) clarifies the accounting for the accumulated depreciation/amortisation when an asset is revalued. It clarifies that the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation / amortisation is calculated as the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses.
- iv) Amendments to MFRS 124 "Related Party Disclosures" (effective from 1 July 2014) extends the definition of 'related party' to include an entity, or any member of a group of which it is a part, that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A2. Significant Accounting Policies (Continued)

A2.2 Amendments to MFRSs issued but not yet effective (continued)

b) Annual Improvements to MFRSs 2011 - 2013 Cycle

- i) Amendments to MFRS 3 “Business Combinations” (effective from 1 July 2014) clarifies that MFRS 3 excludes from its scope the accounting for the formation of all types of joint arrangements (as defined in MFRS 11 “Joint Arrangements”) in the financial statements of the joint arrangement itself, but not to the parties to the joint arrangement for their interests in the joint arrangement.
- ii) Amendments to MFRS 13 “Fair Value Measurement” (effective from 1 July 2014) clarifies that the scope of the portfolio exception of MFRS 13 includes all contracts accounted for within the scope of MFRS 139 “Financial Instruments: Recognition and Measurement” or MFRS 9 “Financial Instruments”, regardless of whether they meet the definition of financial assets or financial liabilities as defined in MFRS 132 Financial Instruments: Presentation.

c) Amendments to MFRS 119 “Defined Benefit Plans: Employee Contributions”

Amendments to MFRS 119 “Defined Benefit Plans: Employee Contributions” (effective from 1 July 2014) provide a practical expedient in accounting for contributions from employees or third parties to defined benefit plans. If the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the related service is rendered, instead of attributing the contributions to the periods of service.

However, if the amount of the contributions is dependent on the number of years of service, an entity is required to attribute those contributions to periods of service using the same attribution method required by MFRS 119 for the gross benefit (i.e. either based on the plan’s contribution formula or on a straight-line basis).

d) Amendments to MFRS 11 “Joint Arrangements”

Amendments to MFRS 11 “Joint Arrangements” (effective from 1 January 2016) clarify that when an entity acquires an interest in a joint operation in which the activity of the joint operation constitutes a business, as defined in MFRS 3 Business Combinations, it shall apply the relevant principles on business combinations accounting in MFRS 3, and other MFRSs, that do not conflict with MFRS 11. Some of the impact arising may be the recognition of goodwill, recognition of deferred tax assets/liabilities and recognition of acquisition-related costs as expenses.

The Amendments do not apply to joint operations under common control and also clarify that previously held interests in a joint operation are not remeasured if the joint operator retains joint control.

e) Amendments to MFRS 116 “Property, Plant and Equipment”

Amendments to MFRS 116 “Property, Plant and Equipment” (effective from 1 January 2016) provide additional guidance on how the depreciation of property, plant and equipment should be calculated. The Amendments prohibit revenue-based depreciation because revenue does not, as a matter of principle, reflect the way in which an item of property, plant and equipment is used or consumed. For example, revenue is affected by other inputs and processes, selling activities and changes in sales volumes and prices. The price component may be affected by inflation, which has no bearing upon the way in which an asset is consumed.

f) Amendments to MFRS 138 “Intangible Assets”

Amendments to MFRS 138 “Intangible Assets” (effective from 1 January 2016) provide additional guidance on how the amortisation of intangible assets should be calculated. The Amendments introduce a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate (for the same reasons as the Amendments to MFRS 116). This presumption can be overcome only in the limited circumstances:

- a) in which the intangible asset is expressed as a measure of revenue, i.e. in the circumstance in which the predominant limiting factor that is inherent in an intangible asset is the achievement of a revenue threshold; or
- (b) when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material effect to the financial statements of the Group upon their initial application.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)**A3. Audit report in respect of the 2013 financial statements**

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

A4. Seasonal or cyclical factors

The Group's operations are not subject to any significant seasonal or cyclical factors.

A5. 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 period under review.

A6. Change in Estimates

There were no material changes in estimates of amounts reported in the current financial period or the previous financial year.

A7. 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 in the current financial period.

A8. Dividends

On 2 April 2014, the Company paid a fourth interim dividend of 6.20 sen (2012: 4.55 sen) per share in respect of the financial year ended 31 December 2013 amounting to RM16.0 million (2012: RM11.8 million).

On 16 June 2014, the Company paid a first interim dividend of 4.00 sen (2013: 3.41 sen) per share in respect of the financial year ending 31 December 2014 amounting to RM10.4 million (2013: RM8.8 million).

For the second quarter, the Directors have declared a second interim dividend of 4.00 sen (2013: 3.41 sen) per share in respect of the year ending 31 December 2014. The dividend will be paid on 24 September 2014 to shareholders registered in the Register of Members at the close of business on 9 September 2014.

A9. Operating segments

Operating segment information for the period is as follows:

RM'000	Logistics and Distribution	Manufacturing	Eliminations	Total
2014				
Revenue				
External revenue	988,498	5,246	-	993,744
Inter-segment revenue	1,876	181,233	(183,109)	-
Total revenue	990,374	186,479	(183,109)	993,744
Results				
Segment results	21,934	54,883	(7,535)	69,282
Finance costs	(6,999)	(863)	804	(7,058)
Interest income	1,352	9	(804)	557
Profit before taxation	16,287	54,029	(7,535)	62,781
Taxation				(20,178)
Profit for the period				42,603
2013				
Revenue				
External revenue	937,517	455	-	937,972
Inter-segment revenue	2,251	150,712	(152,963)	-
Total revenue	939,768	151,167	(152,963)	937,972
Results				
Segment results	19,392	22,247	11,757	53,396
Finance costs	(7,305)	(1,547)	1,444	(7,408)
Interest income	1,981	4	(1,444)	541
Profit before taxation	14,068	20,704	11,757	46,529
Taxation				(15,205)
Profit for the period				31,324

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)**A10. Carrying Amount of Revalued Assets**

There has been no revaluation of property, plant and equipment during the current financial period.

A11. Subsequent Event

There was no subsequent event as at 21 August 2014 that will materially affect the financial statements of the financial period under review.

A12. Changes in the Composition of the Group

There was no change in the composition of the Group for the current financial period ended 30 June 2014 other than the acquisition of 75% equity interest in PT Errita Pharma during the period.

A13. Contingent Liabilities

No contingent liability has arisen since the financial period end.

A14. Commitments

The Group has the following commitments as at 30 June 2014:

	Authorised and contracted for RM'000	Authorised but not contracted for RM'000	Total RM'000
Property, plant and equipment	4,089	45,046	49,135

A15. Financial Risk Management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for year ended 31 December 2013.

A16. Intangible Assets

RM'000	Goodwill	Software	Right to supply	Total
Cost				
At 1 January 2014	89,825	3,346	104,981	198,152
Additions	-	-	52,517	52,517
Acquisition of a subsidiary	59,210	-	-	59,210
Foreign exchange adjustments	-	644	-	644
At 30 June 2014	149,035	3,990	157,498	310,523
Accumulated amortisation				
At 1 January 2014	-	1,681	59,310	60,991
Amortisation charged	-	257	6,889	7,146
Foreign exchange adjustments	-	623	-	623
At 30 June 2014	-	2,561	66,199	68,760
Accumulated impairment				
At 1 January/30 June 2014	12,653	-	-	12,653
Net carrying value				
At 30 June 2014	136,382	1,429	91,299	229,110
At 31 December 2013	77,172	1,665	45,671	124,508

On 18 February 2014, the Group completed the acquisition of PT Errita Pharma ("PT Errita"). As of the date of this report, management has yet to finalise the purchase price allocation ("PPA") for the business combination, as required by MFRS 3 "Business Combination". The excess of cost of business over the Group's interest in the fair value of identifiable net assets acquired arising from the business combination has been derived only on a provisional basis.

A16. Intangible Assets (cont'd)

Based on the preliminary assessment, the goodwill on acquisition is estimated at RM59.2 million. Management has 12 months from the date of completion of the acquisition to complete the PPA and the initial accounting for the transaction. The results of the PPA exercise will determine the final value of goodwill arising from the acquisition of PT Errita. Upon finalisation of the PPA, the Group will recognise any adjustments to the provisional values of the excess of the cost of business over the Group's interest in the fair value of identifiable net assets acquired from the business combination.

B17. Performance Review

Quarter 2 2014 vs Quarter 2 2013

For the quarter under review, the Group's unaudited revenue was RM525.1 million, a 20% increase compared with RM437.6 million in the corresponding period last year. This has led to an improved profit before tax (PBT) of RM24.6 million, more than two-fold from RM9.6 million in the previous year's corresponding quarter on the back of favourable contributions from both concession and non-concession businesses.

Period ended 30 June 2014 vs Period ended 30 June 2013

The revenue for the six-month period rose to RM993.7 million, a 5.9% increase from RM938.0 million for the same period in 2013 on the back of stronger contributions from concession as well as non-concession business.

Cumulatively, the Group's PBT for the period of RM62.8 million was higher compared with RM46.5 million for corresponding period last year, as a result of increased contributions from concession business.

The **Logistics and Distribution Division** recorded a higher PBT of RM16.3 million for the first half of the year, compared with RM14.1 million in the same period last year. This was mainly attributable to higher provision for doubtful debts in the corresponding period.

The **Manufacturing Division** posted a cumulative PBT of RM46.5 million for the period compared with RM32.5 million in last year's corresponding period. This was attributable to improved contributions from concession business following the higher off-take for in-house products from government hospitals.

B18. Material Changes in Quarterly Results Compared to The Results of the Immediate Preceding Quarter

Notwithstanding the Group's revenue of RM525.1 million for the current quarter is higher than the RM468.7 million in the preceding quarter, the Group recorded a lower PBT of RM24.6 million, a reduction of 35.6% from RM38.2 million in the preceding quarter. This was mainly attributable to increased operating expenses.

In current quarter, the **Logistics and Distribution Division** posted a lower PBT of RM1.5 million compared with the preceding quarter's RM14.8 million as a result of lower off-take for concession business and higher operating expenses including provision for stock obsolescence and marketing and promotions.

The **Manufacturing Division** registered a marginally lower PBT of RM23.1 million compared with RM23.4 million in the preceding quarter.

B19. Prospects

Moving forward, the Group's outlook continues to be positive, with the global economy showing moderate but sustained expansion and the pharmaceutical sector in Malaysia showing improved prospects. The Group's Logistics and Distribution Division is expected to continue generating a stable income while focusing on cost optimisation measures to maintain sustained earnings.

The Manufacturing Division is a major part of the Group's business strategy, moving forward, focus will be on product portfolio expansion and enhancements in its research and development efforts. Aside from the Division's ongoing manufacturing improvement processes, there will be collaborations with multinational companies in the European Union (EU) region via the Group's EU-certified plant.

The Group expects the recently acquired manufacturing plant in Indonesia to contribute positively towards its long term earnings, as it concentrates on exploring new viable business opportunities to broaden its earnings base as well as sustain profitability in the financial year ending 31 December 2014.

B20. Notes on variance in actual profit and shortfall in profit guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interest and shortfall in profit guarantee are not applicable.

B21. Income Tax

RM'000	Current Period		Cumulative Period	
	2014	2013	2014	2013
Taxation based on profit for the period:				
- Current	4,300	3,199	15,989	15,092
- Deferred	4,365	(1,693)	4,351	(1,815)
	8,665	1,506	20,340	13,277
(Over)/underprovision of prior years:				
- Current	-	1,928	(162)	1,928
	8,665	3,434	20,178	15,205

The Group's effective tax rate for the current period ended 30 June 2014 are higher than the statutory tax rate of 25% principally due to certain expenses which were not deductible for tax purposes.

B22. Corporate Proposal**Proposed joint venture**

On 20 May 2013, the Company announced that a Joint Venture Agreement between Modern Healthcare Solutions Company Limited and Pharmaniaga Berhad ("Parties") had been signed to form and operate a joint venture limited liability company ("JV Company") in the Kingdom of Saudi Arabia. Upon the fulfillment of conditions precedent, the JV Company will be incorporated with each Party having a 50% equity interest in share capital of the JV Company.

On 25 June 2014, the Parties have agreed to extend the validity of the JV Agreement for another six (6) months until 16 November 2014 to finalise the fulfilment of conditions precedent.

B23. Borrowings and Debt Securities - Unsecured

	30 June 2014 RM'000	31 December 2013 RM'000
Current:		
Bankers' acceptances	99,867	50,805
Revolving credits	175,000	105,000
Short term foreign time loan	41,838	43,596
Hire purchase	152	161
	316,857	199,562
Non-current:		
Hire purchase	242	318

Short term foreign time loan of RM41.8 million (2013: RM43.6 million) is denominated in Indonesian Rupiah (IDR) and is equivalent to IDR154,384 million (2013: IDR162,067 million).

B24. Realised and Unrealised Profits of the Group

The retained profits as at 30 June 2014 is analysed as follows:

	30 June 2014 RM'000	31 December 2013 RM'000
Total retained profits of the Group and its subsidiaries:		
- realised profits	387,006	373,704
- unrealised profits	(10,606)	(10,209)
	376,400	363,495
Less: Consolidation adjustments	(10,043)	(12,924)
Total Group retained profits as per consolidated accounts	366,357	350,571

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)**B25. Additional Disclosures**

	Current Period		Cumulative Period	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Depreciation and amortisation	10,524	17,856	22,530	31,530
Provision for and write off of receivables	1,272	3,338	2,428	11,352
Provision for and write off of inventories	6,082	2,419	6,796	2,588
Foreign exchange gain	(289)	(218)	(395)	(223)

Other than the items mentioned above which have been included in the statement of comprehensive income, there were no impairment of assets, gain or loss on derivatives, gain or loss on disposal of subsidiaries and exceptional items included in the results for the cumulative period ended 30 June 2014.

B26. Economic Profit Statement

	Cumulative Period	
	2014 RM'000	2013 RM'000
Economic profit	16,269	5,603

B27. Profit Forecast

No commentary is made on any variance between actual profit from forecast profit, as it does not apply to the Group.

B28. Earnings Per Share ("EPS")

	Current Period		Cumulative Period	
	2014	2013	2014	2013
Profit attributable to shareholders of the Company (RM'000)	15,975	5,865	42,192	30,636
Weighted average number of ordinary shares in issue ('000)	258,883	258,883	258,883	258,883
Basic earnings per share (sen)	6.17	2.27	16.30	11.83

B29. Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 21 August 2014.

Kuala Lumpur
21 August 2014

By Order of the Board

TASNEEM MOHD DAHALAN (LS0006966)