Company name	:	**WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name	:	**WASEONG**
Financial Period Ended	:	**30 June 2015**
Quarter	:	**2**

Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2015

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 30 June 2015 Unaudited RM'000	**Preceding Year Corresponding Quarter Ended 30 June 2014 Unaudited RM'000**	**Current Period To-date Ended 30 June 2015 Unaudited RM'000**	**Preceding Year Corresponding Period To-date Ended 30 June 2014 Unaudited RM'000**
Gross revenue	461,016	652,074	983,860	1,134,632
Cost of sales	(395,832)	(509,963)	(847,668)	(911,198)
Gross profit	**65,184**	**142,111**	**136,192**	**223,434**
Other operating income	9,440	8,953	53,710	18,503
Selling and distribution expenses	(9,680)	(7,787)	(17,398)	(15,712)
Administrative and general expenses	(53,642)	(61,680)	(133,929)	(108,228)
Other gains - net	2,885	586	4,412	1,340
Finance costs	(5,043)	(5,081)	(10,952)	(10,075)
Share of results of associates and joint ventures	7,263	(79)	6,523	(2,568)
Profit before tax	**16,407**	**77,023**	**38,558**	**106,694**
Taxation	(5,769)	(22,845)	(17,896)	(31,525)
Net profit for the financial period	**10,638**	**54,178**	**20,662**	**75,169**
Net profit/(loss) attributable to:				
- Owners of the Company	11,368	40,088	37,786	60,697
- Non-controlling interests	(730)	14,090	(17,124)	14,472
	10,638	**54,178**	**20,662**	**75,169**

Earnings per share				
- Basic earnings per share (sen)	1.47	5.18	4.89	7.87
- Diluted earnings per share (sen)	1.47	5.18	4.89	7.87

(The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014)

Company name	:	**WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name	:	**WASEONG**
Financial Period Ended	:	**30 June 2015**
Quarter	:	**2**

Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2015

CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 30 June 2015 Unaudited RM'000	Preceding Year Corresponding Quarter Ended 30 June 2014 Unaudited RM'000	Current Period To-date Ended 30 June 2015 Unaudited RM'000	Preceding Year Corresponding Period To-date Ended 30 June 2014 Unaudited RM'000
Net profit for the financial period	**10,638**	**54,178**	**20,662**	**75,169**
Other comprehensive income/(expenses), net of tax:				
Items that may be subsequently reclassified to profit or loss				
Available-for-sale financial assets				
-Fair value losses	(4)	(2)	(4)	(3)
Foreign currency translation differences for foreign operations	11,625	(6,156)	30,300	(10,828)
	11,621	(6,158)	30,296	(10,831)
Total comprehensive income for the financial period	**22,259**	**48,020**	**50,958**	**64,338**
Total comprehensive income/(expense) attributable to:				
- Owners of the Company	20,070	35,203	64,994	51,818
- Non-controlling interests	2,189	12,817	(14,036)	12,520
	22,259	**48,020**	**50,958**	**64,338**

(The Condensed Consolidated Statements of Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014)

Company name	:	**WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name	:	**WASEONG**
Financial Period Ended	:	**30 June 2015**
Quarter	:	**2**

Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2015

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 30 June 2015 Unaudited RM'000	As at 31 December 2014 Audited RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	783,002	773,689
Prepaid lease payments	198,732	192,864
Biological assets	19,114	18,745
Investment properties	11,891	11,097
Investment in associates	174,372	164,223
Investment in joint ventures	151,387	136,749
Available-for-sale financial assets	1,059	1,063
Goodwill	136,926	129,010
Other intangible assets	68	75
Deferred tax assets	20,795	19,185
Lease receivables	6,929	-
Long term deposit	35,797	33,093
	1,540,072	1,479,793
Current Assets		
Inventories	202,234	204,523
Amounts due from customers on contracts	112,478	133,834
Trade and other receivables	573,112	750,896
Amount owing by an associate	1,428	1,446
Amounts owing by joint ventures	52,365	42,403
Lease receivables	23,452	-
Tax recoverable	20,005	11,954
Derivative financial assets	194	1
Time deposits	85,763	95,571
Cash and bank balances	285,878	149,521
	1,356,909	1,390,149
Assets classified as held for sale	-	31,373
TOTAL ASSETS	2,896,981	2,901,315
EQUITY AND LIABILITIES		
Capital and Reserves Attributable to Owners of the Company		
Share capital	387,444	387,444
Share premium	160,246	160,246
Treasury shares	(103)	(6,285)
Exchange translation reserves	46,695	19,483
Available-for-sale reserve	3	7
Retained profits	525,474	514,082
Equity attributable to owners of the Company	1,119,759	1,074,977
Non-controlling interests	176,401	193,306
TOTAL EQUITY	1,296,160	1,268,283

Company name	:	**WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name	:	**WASEONG**
Financial Period Ended	:	**30 June 2015**
Quarter	:	**2**

Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2015

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued)

	As at 30 June 2015 Unaudited RM'000	As at 31 December 2014 Audited RM'000
LIABILITIES		
Non-Current and Deferred Liabilities		
Loans and borrowings	204,909	136,347
Deferred tax liabilities	10,053	9,919
Trade and other payables	4,848	4,085
	219,810	150,351
Current Liabilities		
Amounts due to customers on contracts	39,150	51,415
Trade and other payables	413,195	519,808
Provision for warranties	13,000	11,561
Amounts owing to joint ventures	5,861	5,384
Derivative financial liabilities	-	4,135
Loans and borrowings	890,101	879,463
Current tax liabilities	19,704	10,915
	1,381,011	1,482,681
TOTAL LIABILITIES	1,600,821	1,633,032
TOTAL EQUITY AND LIABILITIES	2,896,981	2,901,315

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014)

Company name : **WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name : **WASEONG**
Financial Period Ended : **30 June 2015**
Quarter : **2**

Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2015

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
These figures have not been audited

	---------- Attributable to owners of the Company ----------								
	Share capital RM'000	**Share premium RM'000**	**Treasury shares RM'000**	**Exchange translation reserves RM'000**	**Available-for-sale reserve RM'000**	**Retained profits RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
At 1 January 2015	387,444	160,246	(6,285)	19,483	7	514,082	1,074,977	193,306	1,268,283
Net profit/(loss) for the financial period	-	-	-	-	-	37,786	37,786	(17,124)	20,662
Other comprehensive income/(expense) for the financial period	-	-	-	27,212	(4)	-	27,208	3,088	30,296
Total comprehensive income/(expense) for the financial period	-	-	-	27,212	(4)	37,786	64,994	(14,036)	50,958
Shares purchased (including transaction costs)	-	-	(948)	-	-	-	(948)	-	(948)
Cash dividends paid to owners of the Company	-	-	-	-	-	(19,264)	(19,264)	-	(19,264)
Share dividends distributed to owners of the Company	-	-	7,130	-	-	(7,130)	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(1,469)	(1,469)
Total contributions by and distributions to owners	-	-	6,182	-	-	(26,394)	(20,212)	(1,469)	(21,681)
Acquisition of shares in an existing subsidiary from non-controlling interest	-	-	-	-	-	-	-	(657)	(657)
Disposal of a subsidiary	-	-	-	-	-	-	-	(319)	(319)
Liquidation of a subsidiary	-	-	-	-	-	-	-	(424)	(424)
Total changes in ownership interest in subsidiaries that did not result in a loss of control	-	-	-	-	-	-	-	(1,400)	(1,400)
Total transactions with owners	-	-	6,182	27,212	(4)	11,392	44,782	(16,905)	27,877
At 30 June 2015	387,444	160,246	(103)	46,695	3	525,474	1,119,759	176,401	1,296,160

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014)

Company name : **WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name : **WASEONG**
Financial Period Ended : **30 June 2015**
Quarter : **2**

Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2015

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
These figures have not been audited

	---------- Attributable to owners of the Company ----------								
	Share capital RM'000	**Share premium RM'000**	**Treasury shares RM'000**	**Exchange translation reserves RM'000**	**Available-for-sale reserve RM'000**	**Retained profits RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
At 1 January 2014	387,444	160,246	(8,893)	11,705	16	432,991	983,509	172,339	1,155,848
Net profit for the financial period	-	-	-	-	-	60,697	60,697	14,472	75,169
Other comprehensive expense for the financial period	-	-	-	(8,876)	(3)	-	(8,879)	(1,952)	(10,831)
Total comprehensive (expense)/income for the financial period	-	-	-	(8,876)	(3)	60,697	51,818	12,520	64,338
Transactions with owners:									
Shares purchased (including transaction costs)	-	-	(2,941)	-	-	-	(2,941)	-	(2,941)
Cash dividends paid to owners of the Company	-	-	-	-	-	(15,390)	(15,390)	-	(15,390)
Share dividends distributed to owners of the Company	-	-	8,654	-	-	(8,654)	-	-	-
Total contributions by and distributions to owners	-	-	5,713	-	-	(24,044)	(18,331)	-	(18,331)
Acquisition of shares in an existing subsidiary from non-controlling interest	-	-	-	-	-	(1,116)	(1,116)	(2,619)	(3,735)
Issuance of Redeemable Convertible Preference Shares to non-controlling interests in a subsidiary	-	-	-	-	-	-	-	8,005	8,005
Acquisition of new subsidiaries	-	-	-	-	-	-	-	(61)	(61)
Total changes in ownership interest in subsidiaries that did not result in a loss of control	-	-	-	-	-	(1,116)	(1,116)	5,325	4,209
Total transactions with owners	-	-	5,713	-	-	(25,160)	(19,447)	5,325	(14,122)
At 30 June 2014	387,444	160,246	(3,180)	2,829	13	468,528	1,015,880	190,184	1,206,064

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014)

Company name	:	**WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name	:	**WASEONG**
Financial Period Ended	:	**30 June 2015**
Quarter	:	**2**

Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2015

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Period To-date Ended 30 June 2015 Unaudited RM'000	Preceding Year Corresponding Period To-date Ended 30 June 2014 Unaudited RM'000
Cash flows from operating activities		
Profit before tax	38,558	106,694
Adjustments for non-operating items:		
Depreciation and amortisation	44,412	35,258
Other non-cash items	(9,254)	14,390
Interest expense	10,952	10,075
Interest income	(3,406)	(3,175)
Operating profit before changes in working capital	81,262	163,242
Changes in working capital:		
Net changes in current assets	192,147	(233,442)
Net changes in current liabilities	(114,387)	27,163
Cash generated from operations	159,022	(43,037)
Interest received	3,406	3,175
Interest paid	(10,952)	(10,075)
Tax paid	(19,440)	(8,214)
Net cash generated from/(used in) operating activities	132,036	(58,151)
Cash flows from investing activities		
Purchase of property, plant and equipment	(31,777)	(64,072)
Purchase of investment properties	(977)	-
Purchase of biological assets	(643)	(2,103)
Addition of prepaid lease payments	(642)	-
Proceeds from disposal of property, plant and equipment	21,426	98
Proceeds from disposal of an associate	6,883	-
Proceeds from disposal of assets classified as held for sale	4,490	-
Dividend received from an associated company	1,722	880
Net cash flow from acquisition of new subsidiaries	-	7
Net cash flow used in disposal of a subsidiary	(675)	-
Subscription of shares in a joint venture	-	(490)
Net cash used in investing activities	(193)	(65,680)
Cash flows from financing activities		
Drawdown of other bank borrowings	523,382	473,742
Repayments of other bank borrowings	(553,479)	(377,331)
Drawdown of term loans	85,559	-
Repayment of term loans	(52,208)	(42,173)
Purchase of treasury shares	(948)	(2,941)
Cash receipts from subscription of Redeemable Convertible preference Shares by non-controlling interests	-	8,005
Acquisition of additional equity interests of an existing subsidiary	-	(3,735)
Acquisition of shares in an existing subsidiary from non-controlling interest	(657)	-
Deferred payments made to non-controlling interest for the acquisition of additional shares in a subsidiary	(206)	(206)
Dividends paid to equity holders of the Company	(19,264)	(15,390)
Dividends paid to non-controlling interests	(1,469)	-
Net cash (used in)/generated from financing activities	(19,290)	39,971

Company name	:	**WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name	:	**WASEONG**
Financial Period Ended	:	**30 June 2015**
Quarter	:	**2**

Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2015

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Current Period To-date Ended 30 June 2015 Unaudited RM'000	Preceding Year Corresponding Period To-date Ended 30 June 2014 Unaudited RM'000
Net changes in cash and cash and cash equivalents	112,553	(83,860)
Currency translation differences	13,996	(2,605)
Cash and cash equivalents at beginning of the financial period	245,092	381,077
Cash and cash equivalents at end of the financial period	371,641	294,612
Cash and cash equivalents at the end of the financial period comprise of the following:		
Time deposits	85,763	144,124
Cash and bank balances	285,878	150,488
	371,641	294,612

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014)

Company name	:	**WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name	:	**WASEONG**
Financial Period Ended	:	**30 June 2015**
Quarter	:	**2**

Quarterly Report on Consolidated Results for the Second Quarter Ended 30 June 2015

These figures have not been audited

NOTES TO INTERIM FINANCIAL REPORT

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. The interim financial statements are in compliance with IAS 34 “Interim Financial Reporting”.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014. These explanatory notes attached to the interim 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.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2014, except for the adoption of the following MFRS, IC Interpretation and Amendments to MFRS beginning 1 January 2015:

- Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2010 – 2012 Cycle
- Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2011 – 2013 Cycle

The adoption of the revised standards and amendments that are applicable from the financial year beginning on 1 January 2015 is not expected to result in any material impact on the financial position and results of the Group.

The following MFRS and Amendments to MFRS have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective to the Group:

<u>Effective from financial year beginning on or after 1 January 2016</u>

Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception
Amendments to MFRS 101	Disclosure initiative
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants
Amendments to MFRS 127	Equity Method in Separate Financial Statements
Annual Improvements to MFRSs 2012 – 2014 Cycle	Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2012 – 2014 Cycle

1. Basis of preparation (continued)

Effective from financial year beginning on or after 1 January 2017

MFRS 15	Revenue from Contracts with Customers

Effective from financial year beginning on or after 1 January 2018

MFRS 9	Financial Instruments – Classification and Measurement of Financial Assets and Financial Liabilities

2. Qualification of financial statements

The audited financial statements of the preceding financial year were not subject to any qualification.

3. Seasonal or cyclical factors

The Group's operation was not affected by seasonal or cyclical factors.

4. Unusual items

Save for the information disclosed in this financial report, there were no other material items affecting assets, liabilities, equity, net income, or cash flows for the financial period that were unusual due to their nature, size, or incidence.

5. Changes in estimates

There were no significant changes in estimates of amounts reported in prior interim periods that had a material effect in the current interim period.

6. Debt and equity securities

During the second quarter of 2015, the Company purchased 25,000 of its issued ordinary shares from the open market (period to-date: 753,500). The Company held a total of 66,538 treasury shares as at 30 June 2015. On 3 April 2015, 4,276,929 treasury shares were distributed as special single tier share dividend to the shareholders on the basis of one (1) treasury share for every one hundred and eighty (180) existing Wah Seong Corporation Berhad ordinary shares of RM0.50 held at the entitlement date on 16 March 2015.

Apart from the above, there were no other issuance and repayment of debt and equity securities, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and financial period ended 30 June 2015.

7. Dividends

Proposed Dividend

The Directors declared a first interim dividend comprising:-

	Financial Year Ending 31 December 2015	**Financial Year Ended 31 December 2014**
Cash dividend per share	2.00 sen single tier	2.50 sen single tier
Date payable and to be credited/ paid and credited	6 October 2015	2 October 2014

The entitlement date of the first interim dividend is fixed on 15 September 2015.

Dividend paid

On 26 February 2015, the Directors declared a second interim dividend in respect of financial year ended 31 December 2014 comprising:-

(i) Single tier cash dividend of 2.50 sen per share; and

(ii) Special single tier share dividend of 4,276,929 treasury shares distributed to the shareholders of Wah Seong Corporation Berhad ("WSC") on the basis of one (1) WSC share for every one hundred and eighty (180) existing WSC ordinary shares of RM0.50 each held at the entitlement date on 16 March 2015. Based on the closing share price of WSC shares of RM1.21 each as at 31 December 2014, the value of the share dividend per WSC share is equivalent to a gross cash dividend of 0.67 sen per share.

The second interim dividend was paid/credited into the entitled shareholders' securities accounts on 3 April 2015.

Company name : **WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name : **WASEONG**
Financial Period Ended : **30 June 2015**
Quarter : **2**

8. Segment information

RESULTS	Oil & Gas RM'000	Renewable Energy RM'000	Industrial Trading & Services RM'000	Plantation RM'000	Others RM'000	Total RM'000
Financial period ended 30 June 2015						
Revenue	512,907	161,994	283,808	-	28,404	987,113
Less: Inter segment revenue	(3,201)	-	(52)	-	-	(3,253)
External revenue	509,706	161,994	283,756	-	28,404	983,860
Segment profits/(losses)	35,641	24,375	2,265	(10,986)	(4,685)	46,610
Share of results of associates	3,912	-	(1)	-	-	3,911
Share of results of joint ventures	3,025	(119)	-	-	(294)	2,612
	42,578	24,256	2,264	(10,986)	(4,979)	53,133
Unallocated expenses relating to financing activities						(5,555)
Unallocated corporate expenses						(9,020)
Profit before tax						38,558
TOTAL ASSETS						
As at 30 June 2015						
Segment assets	1,569,530	314,629	281,607	160,439	101,233	2,427,438
Investment in associates	174,115	-	257	-	-	174,372
Investment in joint ventures	137,482	302	-	-	13,603	151,387
	1,881,127	314,931	281,864	160,439	114,836	2,753,197
Unallocated corporate assets						
- Deferred tax assets						20,795
- Tax recoverable						20,005
- Cash and cash equivalents						74,551
- Others						28,433
Total assets						2,896,981

Company name : **WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name : **WASEONG**
Financial Period Ended : **30 June 2015**
Quarter : **2**

8. Segment information (continued)

	Oil & Gas	Renewable Energy	Industrial Trading & Services	Plantation	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
OTHER INFORMATION						
Financial period ended 30 June 2015						
Depreciation of:						
- Property, plant and equipment	33,869	2,057	1,981	2,989	1,715	42,611
- Investment properties	-	-	-	-	183	183
Amortisation of:						
- Prepaid lease payments	472	4	273	857	-	1,606
- Other intangible assets	-	12	-	-	-	12
Additions of:						
- Property, plant and equipment	23,755	2,867	4,094	971	90	31,777
- Biological assets	-	-	-	643	-	643
- Investment properties	-	-	-	-	977	977
- Prepaid lease payments	642	-	-	-	-	642
Interest income	(2,008)	(357)	(397)	(5)	(639)	(3,406)
Interest expense	7,600	607	1,839	-	906	10,952

Company name : **WAH SEONG CORPORATION BERHAD (Company No.:495846-A)**
Stock name : **WASEONG**
Financial Period Ended : **30 June 2015**
Quarter : **2**

8. Segment information (continued)

	Oil & Gas RM'000	Renewable Energy RM'000	Industrial Trading & Services RM'000	Plantation RM'000	Others RM'000	Total RM'000
RESULTS						
Financial period ended 30 June 2014						
Revenue	608,077	167,728	300,804	-	63,571	1,140,180
Less: Inter segment revenue	(4,856)	(42)	(650)	-	-	(5,548)
External revenue	603,221	167,686	300,154	-	63,571	1,134,632
Segment profits/(losses)	93,926	30,245	5,650	(8,209)	(1,821)	119,791
Share of results of associates	1,980	-	23	-	-	2,003
Share of results of joint ventures	(3,791)	-	-	-	(780)	(4,571)
	92,115	30,245	5,673	(8,209)	(2,601)	117,223
Unallocated expenses relating to financing activities						(5,772)
Unallocated corporate expenses						(4,757)
Profit before tax						106,694
TOTAL ASSETS						
As at 30 June 2014						
Segment assets	1,496,548	288,123	294,692	170,299	106,576	2,356,238
Investment in associates	139,902	-	4,984	-	-	144,886
Investment in joint ventures	14,984	490	-	-	12,320	27,794
	1,651,434	288,613	299,676	170,299	118,896	2,528,918
Assets classified as held for sale						4,121
Unallocated corporate assets:						
- Deferred tax assets						12,187
- Tax recoverable						3,960
- Cash and cash equivalents						47,254
- Others						29,016
Total assets						2,625,456

8. Segment information (continued)

	Oil & Gas RM'000	Renewable Energy RM'000	Industrial Trading & Services RM'000	Plantation RM'000	Others RM'000	Total RM'000
OTHER INFORMATION						
Financial period ended 30 June 2014						
Depreciation of:						
- Property, plant and equipment	25,034	1,784	1,938	3,065	1,726	33,547
- Investment properties	-	-	-	-	197	197
Amortisation of:						
- Prepaid lease payments	471	4	273	755	-	1,503
- Other intangible assets	-	11	-	-	-	11
Additions of:						
- Property, plant and equipment	56,745	1,210	426	1,227	4,464	64,072
- Biological assets	-	-	-	2,103	-	2,103
Interest income	(1,583)	(770)	(462)	(4)	(356)	(3,175)
Interest expense	6,673	256	1,360	-	1,786	10,075

9. Events subsequent to the balance sheet date

There were no material subsequent events since the end of the current quarter until a date not earlier than 7 days from the date of issuance of this quarterly report except for the following:

(a) The Company had on 4 August 2015 announced that further to the application made by WCU Corrosion Technologies Pte. Ltd. ("WCUCT"), the Company's indirect joint venture company, to the Accounting and Corporate Regulatory Authority ("ACRA") for the voluntary striking off, WCUCT had been officially struck off from the Register of Companies with effect from 13 July 2015 and the publication of the notice of striking-off was on 21 July 2015 pursuant to Section 344 of the Singapore Companies Act, Chapter 50 in the Government Gazette. The Final Gazette Notification was obtained by the Company on 4 August 2015.

(b) The Company had on 12 August 2015 announced that its indirect wholly-owned subsidiary, Wasco Coatings Limited ("WCL") together with Evraz Inc. NA Canada ("Evraz") had on 11 August 2015 incorporated a company known as Evraz Wasco Pipe Protection Corporation ("EWPPC") in Canada under the Federal laws of Canada.

EWPPC has an initial authorised capital stock of an unlimited number of common shares which were subscribed and held by the following parties in the following proportions:

Parties	Percentage	No. of Shares	Canadian Dollar ($)
Evraz	51%	51 Common Shares	$51
WCL	49%	49 Common Shares	$49

The principal activities of EWPPC shall be the provision of pipe coating services to the North American Market.

(c) The Company had on 18 August 2015 announced that its subsidiaries namely, PPI Industries Sdn Bhd and Petro-Pipe (Sabah) Sdn Bhd had been awarded a sub-contract valued at approximately RM188.96 million by Penta-Ocean Construction Co., Ltd. for the supply and delivery of coated steel pipe piles for the Pengerang Deepwater Petroleum Terminal Project located in the district of Kota Tinggi, Johor, Malaysia.

The sub-contract involves the manufacture and delivery of coated steel pipe piles. The risks are the normal operational risks associated with the manufacturing, coating and delivery of steel pipe which is one of the core business of WSC Group. The sub-contract was expected to be completed by the third quarter of 2016.

The sub-contract was expected to contribute positively to the earnings of WSC Group over the sub-contract period. The sub-contract is project specific and is not renewable.

10. Effects of changes in the composition of the Group during the current quarter

(a) The Company had on 22 April 2015 announced that a new Joint Venture Company, by the name of Syn Tai Hung (Cambodia) Co. Ltd ("Syn Tai Hung Cambodia") had been incorporated in Cambodia on 21 April 2015 following the announcement dated 12 November 2014 pursuant to the Joint Venture Agreement between STH Sri Bulatan Sdn Bhd ("STHSB"), and Stellar Marketing Sdn Bhd ("SMSB"), the indirect wholly-owned subsidiaries of the Company and Ing Veasna ("Veasna").

Syn Tai Hung Cambodia has an initial issued and paid-up share capital of USD300,000 divided into 300,000 shares of USD1.00 each in accordance with the terms of the JV Agreement and to be held in the proportions of 70%, 10% and 20% by STHSB, SMSB and Veasna respectively.

The intended businesses of Syn Tai Hung Cambodia are trading, distribution and warehousing of building materials and other strategic business in Cambodia.

(b) On 15 May 2015, the Company had entered into a Share Sale Agreement with Wah Seong Industrial Holdings Sdn Bhd ("WSIH"), a wholly-owned subsidiary of the Company, to acquire 1,000,000 ordinary shares of RM1.00 each representing 100% equity interest in the issued and paid-up share capital of WSC Capital Sdn Bhd ("WSC Capital") (formerly known as PPSC Property Sdn Bhd) from WSIH for a total consideration of RM1,000,000 ("Acquisition of WSC Capital Shares"). Upon completion of the Acquisition of WSC Capital Shares, WSC Capital became a wholly-owned subsidiary of the Company.

(c) Further to the announcement made on 23 December 2013, the Company had on 18 May 2015 announced that Wasco Coatings Labuan Limited ("WCLabuan"), a wholly-owned subsidiary of Wasco Coatings HK Limited, a company incorporated in Hong Kong, which in turn is an indirect wholly-owned subsidiary of the Company, had held its final meeting for the Member's Voluntary Winding Up on 18 May 2015.

WCLabuan was fully dissolved on 18 August 2015 after the expiration of three months from the date of lodgement of the Return by Liquidator relating to the Final Meeting with the Companies Commission of Malaysia and Official Receiver.

(d) Further to the announcements made on 3 September 2014 and 8 September 2014, the Company had on 20 May 2015 announced the completion of the proposed disposal of 60% equity interest in PT. PMT Phoenix by PMT Industries Sdn Bhd ("PMTI") on 13 May 2015 in accordance with the terms and conditions of the Conditional Sale and Purchase Agreement following the approval from the Indonesia Investment Coordinating Board received on 19 May 2015 ("Proposed Disposal of PT. PMT Phoenix Shares").

Pursuant to the completion of the Proposed Disposal of PT. PMT Phoenix Shares by PMTI, PT. PMT Phoenix has ceased to be a subsidiary of PMTI and an indirect subsidiary of the Company.

(e) As announced on 4 June 2015, WSM Oil & Gas Services Limited ("WSM O&G"), an indirect subsidiary of the Company, had been deregistered on 29 May 2015 pursuant to Section 751 of the Companies Ordinance (Cap. 622) in Hong Kong. The notice of dissolution was obtained by the Company from the Cyber Search Centre of Companies Registry in Hong Kong on 3 June 2015.

10. Effects of changes in the composition of the Group during the current quarter (continued)

(f) On 9 June 2015, the Company announced that its indirect wholly-owned subsidiary, Spirolite (M) Sendirian Berhad had on 30 March 2015 incorporated a wholly-owned subsidiary in The Republic of the Union of Myanmar by the name of Spirolite (Myanmar) Company Limited ("Spirolite Myanmar"). The incorporation was completed on 29 May 2015 and the relevant documents of the said incorporation were obtained by the Company on 8 June 2015.

The intended businesses of Spirolite Myanmar are the manufacturing and marketing of polyethylene (PE) pipes, fittings and tanks for related fluid conveyance products. Spirolite Myanmar has an initial issued and paid-up share capital of USD150,000 divided into 150,000 shares of USD1 each representing 100% of the initial issued and paid-up share capital of Spirolite Myanmar.

11. Status of corporate proposals

There are no corporate proposals announced but not completed as at 21 August 2015, being the latest practicable date that shall not be earlier than 7 days from the date of this quarterly report.

12. Capital commitments

Capital commitments not provided for in the interim report:

	As at 30 June 2015 RM'000
Approved and contracted for	50,190
Approved but not contracted for	144,704

13. Operating lease commitments

Total future minimum lease payments under operating leases are as follows:

	As at 30 June 2015 RM'000
Payable not later than one year	2,049
Payable later than one year and not later than five years	141

Other information required by Bursa Malaysia Securities Berhad Main Market Listing Requirements

14. Review of performance of operating segments for the current quarter and financial period ended 30 June 2015

Oil & Gas Segment

The Oil & Gas Segment's external revenue for the second quarter and financial period ended 30 June 2015 were RM241.6 million and RM509.7 million respectively compared with RM379.9 million and RM603.2 million in the corresponding periods in 2014. In the same periods, profit before taxation were RM18.5 million and RM42.6 million respectively, compared with RM69.6 million and RM92.1 million in the corresponding periods in 2014. The decrease in profit before tax was the result of lower level of activity in the current periods due to market conditions. Oil majors are already undertaking costs and capital expenditures rationalisation resulting in reduced numbers of projects available for execution.

Renewable Energy Segment

The Renewable Energy Segment's external revenue for the second quarter and financial period ended 30 June 2015 was RM76.3 million and RM162.0 million compared with RM84.6 million and RM167.7 million in the corresponding periods in 2014. In the same periods, profit before taxation was RM12.3 million and RM24.3 million compared with RM14.8 million and RM30.3 million in the corresponding periods in 2014. The decreases in profit before taxation were due to lower revenue and tighter margins registered by process equipment, turbine and boiler sector.

Industrial Trading & Services Segment

The Industrial Trading & Services Segment's external revenue for the second quarter and financial period ended 30 June 2015 was RM124.6 million and RM283.8 million compared with RM156.5 million and RM300.2 million in the corresponding periods in 2014. In the same periods, the segment recorded a loss before tax of RM2.3 million and profit before tax of RM2.3m compared with profit before tax of RM3.3 million and RM5.7 million in the corresponding periods in 2014. The decrease in revenue and profit were due to delay in new projects being executed in the pipe manufacturing business and allowance for doubtful debts in the building materials trading business.

Plantation

This segment is still at the development stage; hence, no revenue is being generated. Loss before taxation for the second quarter and financial period ended 30 June 2015 was RM3.3 million and RM11.0 million compared with RM4.3 million and RM8.2 million in the corresponding period in 2014. The increase in loss before tax for the financial period ended 30 June 2015 reflected mainly the recognition of allowance for doubtful debts.

15. Material changes in the profit before taxation for the current quarter as compared with the immediate preceding quarter

The Group recorded a profit before taxation of RM16.4 million compared with RM22.2 million in the previous quarter. The reduction was a result of lower revenue recognised in the current quarter due to a reduction in activities in the Oil & Gas and the Renewable Energy segments as well as allowance for doubtful debts made in the Industrial Trading & Services segment.

16. Current period prospects

The Group's current order book amounted to RM1.1 billion, comprising RM500.1 million for Oil & Gas Segment, RM312.9 million for Renewable Energy and RM239.1 million for Industrial Trading & Services. Despite the challenging times, the Group continues to build its order book and to improve efficiency in order to strengthen the Group's resilience so that it is better placed to meet the difficult global economic environment ahead.

17. Profit before tax

Profit before tax is stated after charging/(crediting) the following items:	**Current Quarter Ended 30 June 2015 RM'000**	**Preceding Year Corresponding Quarter Ended 30 June 2014 RM'000**	**Current Period To-date Ended 30 June 2015 RM'000**	**Preceding Year Corresponding Period To-date Ended 30 June 2014 RM'000**
Interest income	(1,668)	(1,420)	(3,406)	(3,175)
Depreciation and amortisation	22,650	18,744	44,412	35,258
Impairment loss/ (reversal) on receivables	3,860	300	10,556	(790)
(Reversal)/provision of impairment loss and write-off of inventories - net	(199)	401	(341)	(38)
Net foreign exchange gain	(365)	(1,286)	(19,866)	(467)
Impairment loss on property, plant and equipment	-	6,399	-	6,399

Save as disclosed above and in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, the other items required by Bursa Malaysia Securities Berhad Main Market Listing Requirements, Chapter 9, Appendix 9B are not applicable to the Group.

18. Taxation

Taxation comprises the following:

	Current Quarter Ended 30 June 2015 RM'000	Period To-date Ended 30 June 2015 RM'000
Tax expense		
- Malaysian tax	4,210	14,965
- Foreign tax	1,559	2,931
	5,769	17,896

The effective tax rate of the Group varies from the statutory tax rate due to the following:

	Current Quarter Ended 30 June 2015 RM'000	Period To-date Ended 30 June 2015 RM'000
Profit before tax	16,407	38,558
Tax expense at the statutory tax rate – 25%	4,102	9,640
Effects arising from certain subsidiaries which are not subjected to tax or enjoy tax exemption incentives	(3,209)	(4,007)
Other tax adjustments	5,758	12,445
Over provision in prior financial period	(882)	(182)
	1,667	8,256
Taxation	5,769	17,896

19. Profit forecast

The Group did not issue any profit forecast for the current quarter.

20. Group's borrowings and debt securities

	Unsecured RM'000	Total RM'000
Short term borrowings		
Bankers' acceptances	111,698	111,698
Revolving credits	702,094	702,094
Term loans	76,309	76,309
Sub-total	890,101	890,101
Long term borrowings		
Term loans	170,384	170,384
Fixed rate notes	34,525	34,525
	204,909	204,909
Total borrowings	1,095,010	1,095,010

The Group's borrowings are denominated in the following currencies:

	RM'000
Ringgit Malaysia	77,120
United States Dollar	1,003,413
Australian Dollar	14,477
	1,095,010

21. Fair value of financial instruments

The fair value gains and losses arising from fair value changes in financial assets and liabilities during the current quarter and financial period ended 30 June 2015 are as follows:

	Current Quarter Ended 30 June 2015 RM'000	Preceding Year Corresponding Quarter Ended 30 June 2014 RM'000	Current Period To-date Ended 30 June 2015 RM'000	Preceding Year Corresponding Period To-date Ended 30 June 2014 RM'000
Balance as at				
-1 January	-	-	(4,121)	(811)
-1 April	(2,741)	(59)	-	-
Fair value gain/(loss) recognised in:				
- profit or loss	2,881	586	4,408	1,340
- other comprehensive income/(expense)	63	(3)	(84)	(5)
Balance as at 30 June	203	524	203	524

21. Fair value of financial instruments (continued)

	30 June 2015 RM'000	30 June 2014 RM'000
Represented by:		
Available-for-sale financial assets carried at fair value	9	19
Derivative financial assets	194	505
	203	524

Fair value hierarchy

The table below summarises all financial instruments carried at fair value as at end of the financial period, based on a hierarchy that reflects the significance of the inputs used in measuring its respective fair values. The levels are defined as follows:

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

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
30 June 2015				
Financial assets				
Available-for-sale financial assets	9	-	-	9
Derivative financial assets	-	194	-	194

Valuation techniques used to derive Level 2 fair values

The Level 2 fair values represent an estimated valuation derived from market quotations or from proprietary models that take into consideration estimates about relevant present and future market conditions as well as the size and liquidity of the position and any related actual or potential hedging transactions.

There were no changes in valuation techniques during the financial period.

22. Material litigation

Save as disclosed below, there were no material litigations pending or changes to the status of material litigations since the last annual balance sheet date up to 21 August 2015:

On 17 December 2008, Socotherm S.p.A. ("Socotherm") commenced a Request for Arbitration against the Company and its indirect wholly-owned subsidiary, Wasco Coatings Limited ("WCL").

At the relevant time, Socotherm and WCL were shareholders of PPSC Industrial Holdings Sdn. Bhd. ("PPSCIH"), an investment holding company where Socotherm held 32.52% and WCL held 67.48% in the total paid-up capital of PPSCIH. PPSCIH in turn held 78.00% of the paid-up capital of Wasco Coatings Malaysia Sdn. Bhd. ("WCM") (formerly known as PPSC Industries Sdn. Bhd.), a company principally involved in the coating of pipes for the oil and gas industry. In October 2009, WCL acquired Socotherm's 32.52% interest in PPSCIH and currently, PPSCIH holds 70% of the paid-up capital of WCM.

Socotherm alleged that the transfer of 25,508,858 shares in PPSCIH ("PPSCIH Shares") from the Company to WCL, as part of an internal restructuring, is in breach of the Joint Venture Agreement dated 16 December 1991 ("JVA") and Supplemental Agreement dated 14 July 1997 ("SA") (collectively known as the "said Agreements") and that the Company and WCL have breached certain territorial limit provisions under the said Agreements. Socotherm is seeking for an order for damages to be assessed by the Arbitral Tribunal for the breach of the territorial limits provisions and the transfer of shares.

On 24 February 2009, WCM commenced a Request for Arbitration against Socotherm, which is consolidated as a counter-claim in the above-mentioned arbitration. WCM alleged that the Respondent has also breached certain territorial limit provisions under the said Agreements arising from its activities in the extended territories as defined in the SA which directly competes with WCM's activities in those territories, in particular Vietnam, India, Australia, Indonesia and China.

The Company had on 6 May 2015, received the signed Final Award dated 29 April 2015 as below issued by the Arbitral Tribunal in the International Court of Arbitration of the International Chamber of Commerce in Paris ("ICC"):

(i) An order that the Respondents shall jointly and severally pay US$11,198,419.28 (equivalent to approximately RM40,308,710.20)[(1)] to Socotherm for their breaches of Clause 6 of the SA;

(ii) An order that PPSC shall pay US$1,820,222.11 (equivalent to approximately RM6,551,889.48)[(1)] (being the sum of US$1,703,142.55 (equivalent to approximately RM6,130,461.61)[(1)] and US$117,079.56 (equivalent to approximately RM421,427.88)[(1)]) to Socotherm for its breaches of Clauses 7 and 8 of the SA;

(iii) An order that Socotherm shall pay PPSC US$2,371,900.66 (equivalent to approximately RM8,537,656.43)[(1)] and EUR599,168.00 (equivalent to approximately RM2,403,862.02)[(2)] for its breaches of Clause 6 read with Clauses 6A and 7 of the SA;

(iv) An order that simple interest at the rate of 3.25% per annum is payable on the sums stated in (i) and (ii) above from 1 December 2008 until the date of the Final Award;

(v) An order that simple interest at the rate of 3.25% per annum is payable on the sums stated in (iii) above from 19 February 2009;

22. Material litigation (continued)

(vi) An order that the Respondents shall pay Socotherm its costs and expenses in the sum of S$1,735,887.49 (equivalent to approximately RM4,682,730.09)[(3)]; and

(vii) An order that the Respondents and the Claimant shall bear US$300,950 (equivalent to approximately RM1,083,269.53)[(1)] and US$162,050 (equivalent to approximately RM583,298.98)[(1)] of the fees and expenses of the Tribunal and the ICC administrative expenses respectively.

The Company had on 24 July 2015 made an application to the Singapore High Court to set aside parts of the Final Award.

The Arbitration will not have any significant financial impact on the net profits attributable to owners of the Company for the financial year ending 31 December 2015 as the Group has accruals to cover a substantial portion of the claim.

For consistency, the abbreviations used here shall have the same meaning as defined in the announcements dated 19 December 2008, 23 December 2008, 24 February 2009 and 1 July 2011.

Notes:

(1) Based on exchange rate of US$1.00: RM3.5995 on 6 May 2015 as set out in the Oanda website, subject to rounding.

(2) Based on exchange rate of EURO1.00: RM4.0120 on 6 May 2015 as set out in the Oanda website, subject to rounding.

(3) Based on exchange rate of S$1.00: RM2.6976 on 6 May 2015 as set out in the Oanda website, subject to rounding.

23. Earnings per share (EPS)

Basic and diluted earnings per share

The basic and diluted earnings per share have been computed based on net profit attributable to the owners of the Company for the current financial quarter/period divided by the weighted average number of ordinary shares of RM0.50 each in issue after adjusting for movements in treasury shares in the same financial quarter/period:

	Current Quarter Ended 30 June 2015	Preceding Year Corresponding Quarter Ended 30 June 2014	Current Period To-date Ended 30 June 2015	Preceding Year Corresponding Period To-date Ended 30 June 2014
Net profit attributable to the owners of the Company (RM'000)	11,368	40,088	37,786	60,697
Weighted average number of ordinary shares in issue after adjusting for movements in treasury shares (No. of Shares ('000))	774,839	773,822	772,734	771,679
Basic/diluted earnings per share (sen)	1.47	5.18	4.89	7.87

24. Contingent liabilities

There were no contingent liabilities arising since the last annual audited statement of financial position.

25. Supplementary information disclosed pursuant to Bursa Malaysia Securities Berhad Listing Requirements

The following analysis of realised and unrealised retained profits is prepared pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Securities Berhad Listing Requirements and in accordance with the Guidance on Special Matter No. 1 - Determination of Realised and Unrealised Profits or Losses as issued by the Malaysian Institute of Accountants. This disclosure is based on the format prescribed by Bursa Malaysia Securities Berhad.

	As at 30 June 2015 RM'000	As at 31 December 2014 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised gains	609,706	541,684
- Unrealised (losses)/gains	(52,210)	12,083
Total share of retained profits from associates		
- Realised gains	12,706	5,151
- Unrealised gains	6,983	10,628
Total share of retained profits from joint ventures		
- Realised losses	(3,966)	(6,526)
- Unrealised gains	162	110
	573,381	563,130
Consolidation adjustments	(47,907)	(49,048)
Total group retained profits as per consolidated financial statements	525,474	514,082

By Order of the Board

Woo Ying Pun
Company Secretary

Kuala Lumpur