



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2016 (UNAUDITED)**

<i>In thousands of RM</i>	Current Quarter 31 March		Current Period 31 March	
	2016	2015	2016	2015
<u>Continuing operations</u>				
Revenue	151,531	163,076	151,531	163,076
Cost of goods sold	(95,680)	(102,826)	(95,680)	(102,826)
Gross profit	55,851	60,250	55,851	60,250
Other income	537	92	537	92
Distribution expenses	(16,757)	(17,130)	(16,757)	(17,130)
Administrative expenses	(17,920)	(17,611)	(17,920)	(17,611)
Other expenses	(5,040)	(7,922)	(5,040)	(7,922)
Results from operating activities	16,671	17,679	16,671	17,679
Share of profit of equity accounted investee, net of tax	241	349	241	349
Finance income	2,110	719	2,110	719
Finance costs	(6,776)	(4,162)	(6,776)	(4,162)
Profit before tax	12,246	14,585	12,246	14,585
Income tax expense	(4,041)	(2,983)	(4,041)	(2,983)
Profit from continuing operations	8,205	11,602	8,205	11,602
<u>Discontinued operations</u>				
Loss from discontinued operations, net of tax	(7,135)	(3,200)	(7,135)	(3,200)
Profit for the period	1,070	8,402	1,070	8,402
<u>Other comprehensive income</u>				
Foreign currency translation differences for foreign operations	4,976	(5,384)	4,976	(5,384)
Total comprehensive income for the period	6,046	3,018	6,046	3,018
Profit/(loss) attributable to :				
Owners of the Company				
- from continuing operations	5,372	9,001	5,372	9,001
- from discontinued operations	(5,622)	(5,047)	(5,622)	(5,047)
	(250)	3,954	(250)	3,954
Non-controlling interests	1,320	4,448	1,320	4,448
	1,070	8,402	1,070	8,402
Total comprehensive income attributable to :				
Owners of the Company				
- from continuing operations	(4,434)	832	(4,434)	832
- from discontinued operations	9,160	(5,047)	9,160	(5,047)
	4,726	(4,215)	4,726	(4,215)
Non-controlling interests	1,320	7,233	1,320	7,233
	6,046	3,018	6,046	3,018
Basic earnings per share (Sen)				
- from continuing operations	1.18	1.98	1.18	1.98
- from discontinued operations	(1.24)	(1.11)	(1.24)	(1.11)
	(0.06)	0.87	(0.06)	0.87
Diluted earnings per share (Sen)				
- from continuing operations	1.18	1.98	1.18	1.98
- from discontinued operations	(1.24)	(1.11)	(1.24)	(1.11)
	(0.06)	0.87	(0.06)	0.87

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Notes to the Interim Financial Report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016 (UNAUDITED)

<i>In thousands of RM</i>	As at 31 March 2016	As at 31 December 2015
ASSETS		
Property, plant and equipment	448,408	445,944
Investment properties	25,470	25,470
Intangible assets	294,699	292,832
Investment in associates	16,458	16,217
Other Investments	15,864	15,864
Deferred tax assets	7,069	7,626
Total non-current assets	807,968	803,953
Inventories	208,718	199,251
Current tax assets	15,314	21,684
Trade and other receivables	215,709	227,918
Cash and cash equivalents	341,175	324,558
	780,916	773,411
Assets classified as held for sale	150,674	159,542
Total current assets	931,590	932,953
TOTAL ASSETS	1,739,558	1,736,906
EQUITY AND LIABILITIES		
Share capital	457,630	457,630
Reserves	33,927	28,951
Retained earnings	184,540	184,790
Total equity attributable to equity holders of the Company	676,097	671,371
Non-controlling interests	179,901	178,581
Total equity	855,998	849,952
Loans and borrowings	462,368	454,379
Deferred tax liabilities	21,899	19,296
Total non-current liabilities	484,267	473,675
Loans and borrowings	186,293	178,717
Provisions	964	964
Trade and other payables	137,234	147,379
Current tax liabilities	2,063	909
	326,554	327,969
Liabilities classified as held for sale	72,739	85,310
Total current liabilities	399,293	413,279
Total liabilities	883,560	886,954
TOTAL EQUITY AND LIABILITIES	1,739,558	1,736,906
Net assets per share attributable to ordinary equity holders of the parent (sen)	149	148

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Interim Financial Report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2016 (UNAUDITED)

In thousands of RM

	<div style="display: flex; justify-content: space-between; align-items: center;"> ← Attributable to shareholders of the Company → </div>											
	<div style="display: flex; justify-content: space-between; align-items: center;"> ← Non-distributable → </div>							Distributable				
	Share capital	Share premium	Capital redemption reserve	Translation reserve	Fair value reserve	Revaluation reserve	Other capital reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Total equity
At 1 January 2016	457,630	39,944	73	(8,235)	23	-	2,982	(5,836)	184,790	671,371	178,581	849,952
Foreign exchange translation differences	-	-	-	4,976	-	-	-	-	-	4,976	-	4,976
Total other comprehensive income for the period	-	-	-	4,976	-	-	-	-	-	4,976	-	4,976
Profit for the year	-	-	-	-	-	-	-	-	(250)	(250)	1,320	1,070
Total comprehensive income for the period	-	-	-	4,976	-	-	-	-	(250)	4,726	1,320	6,046
As at end of period	<u>457,630</u>	<u>39,944</u>	<u>73</u>	<u>(3,259)</u>	<u>23</u>	<u>-</u>	<u>2,982</u>	<u>(5,836)</u>	<u>184,540</u>	<u>676,097</u>	<u>179,901</u>	<u>855,998</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Interim Financial Reports.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2015

In thousands of RM

	Attributable to shareholders of the Company								Distributable Retained earnings	Total	Non- controlling interest	Total equity
	Share capital	Share premium	Capital redemption reserve	Translation reserve	Fair value reserve	Revalua- tion reserve	Other capital reserve	Treasury shares				
At 1 January 2015	457,630	39,944	73	(14,542)	23	-	2,982	(5,836)	269,998	750,272	130,326	880,598
Foreign exchange translation differences	-	-	-	6,307	-	-	-	-	-	6,307	338	6,645
Total other comprehensive income for the period	-	-	-	6,307	-	-	-	-	-	6,307	338	6,645
Loss for the year	-	-	-	-	-	-	-	-	(62,476)	(62,476)	(10,780)	(73,256)
Total comprehensive income for the period	-	-	-	6,307	-	-	-	-	(62,476)	(56,169)	(10,442)	(66,611)
Issue of new shares to non-controlling interests	-	-	-	-	-	-	-	-	-	-	67,055	67,055
Dividends to owners of the Company	-	-	-	-	-	-	-	-	(22,732)	(22,732)	-	(22,732)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(8,358)	(8,358)
As at 31 December 2015	457,630	39,944	73	(8,235)	23	-	2,982	(5,836)	184,790	671,371	178,581	849,952

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2016 (UNAUDITED)**

In thousands of RM	Three Months Ended 31 March	
	2016	2015
Cash flows from operating activities		
Profit/(loss) before taxation from		
Continuing operations	12,246	14,585
Discontinued operations	(7,104)	(4,261)
	<u>5,142</u>	<u>10,324</u>
Adjustments for:		
Amortisation of prepaid lease payments	-	97
Depreciation of property, plant and equipment	12,781	9,273
(Gain)/ loss on disposal of property, plant and equipment	(2)	-
Finance costs	8,185	6,818
Interest income	(2,201)	(785)
Share of profit of equity accounted associates	(241)	(349)
<i>Operating profit before changes in working capital</i>	<u>23,664</u>	<u>25,378</u>
Change in inventories	6,394	(3,352)
Change in payables and accruals	34,373	64,074
Change in receivables, deposits and prepayments	(23,062)	(35,353)
<i>Cash generated from operations</i>	<u>41,369</u>	<u>50,747</u>
Finance costs paid	(8,185)	(6,818)
Interest income	2,201	785
Income tax paid	(2,918)	(3,310)
Net cash generated from operating activities	<u>32,467</u>	<u>41,404</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(9,901)	(6,459)
Acquisition of development expenditure	(2,061)	(967)
Net cash used in investing activities	<u>(11,962)</u>	<u>(7,426)</u>
Cash flows from financing activities		
Dividends paid to owners of the Company	-	(11,366)
Drawdown/(repayment) of loans and borrowings	50,000	(35,521)
Repayment of loans and borrowings	(54,869)	-
Net cash used in financing activities	<u>(4,869)</u>	<u>(46,887)</u>
Exchange difference on translation of the financial statements of foreign operations	(1,028)	(14,653)
Net increase/(decrease) in cash and cash equivalents	<u>14,608</u>	<u>(27,562)</u>
Cash and cash equivalents at 1 January	<u>327,722</u>	<u>208,212</u>
Cash and cash equivalents as at end of period	<u><u>342,330</u></u>	<u><u>180,650</u></u>

The Condensed Cash Flow Statement should be read in conjunction with the Notes to the Interim Financial Report.

Note :-

Cash and cash equivalents	341,175
Cash and cash equivalents under assets classified as held for sale	<u>1,155</u>
	<u><u>342,330</u></u>



CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)
(Incorporated in Malaysia)
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NOTES TO THE INTERIM FINANCIAL REPORT

A1) Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, *Interim Financial Reporting* in Malaysia and with IAS 34, *Interim Financial Reporting*.

A2) Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2015 except for the adoption of the following MFRS and Amendments to MFRSs during the current financial period :-

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

- Amendments to MFRS 5, *Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements*, MFRS 12, *Disclosure of Interests in Other Entities* and MFRS 128, *Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure Initiative*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 141, *Agriculture – Agriculture: Bearer Plants*
- Amendments to MFRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*

The adoption of the above MFRS and Amendments to MFRSs did not have any material impact on these condensed consolidated interim financial statements.

The following MFRSs and Amendments to MFRSs are not applicable to the Group and hence have not been adopted by the Group:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

- MFRS 14, *Regulatory Deferral Accounts*
- Amendments to MFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*



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A2) Changes in Accounting Policies (continued)

The following revised MFRSs and Amendments to MFRSs have been issued by the MASB and are not yet effective for adoption by the Group:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017

- Amendments to MFRS 107, *Statement of Cash Flows – Disclosure Initiative*
- Amendments to MFRS 112, *Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018;

- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019;

- MFRS 16, *Leases*

MFRSs, Interpretations and amendments effective for a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group is currently assessing the financial impact that may arise from the adoption of the above amendments.

A3) Disclosure of audit report qualification

The auditor's report on the financial statements of the Group and the Company for the year ended 31 December 2015 was not subject to any qualification.

A4) Explanatory comments about the seasonality or cyclicity of operations

The Group's operations were not subjected to any material seasonal or cyclical factor other than market fluctuations in selling prices and costs of raw materials.

A5) Unusual Items due to their nature, size or incidence

There was no item affecting assets, liabilities, net income or cash flows that were unusual because of their nature, size or incidence for the current quarter and financial period under review.

A6) Changes in prior estimates of amounts which materially affect the current interim period

There were no material changes in prior year estimates which would materially affect the current interim period.


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A7) Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the period under review. The number of Treasury Shares held as at end of the current period under review was 2,998,000.

A8) Dividends paid

No dividend was paid in the current quarter under review.

A9) Segment reporting

<i>In thousands of RM</i>	Segment Revenue			
	Individual 1st Quarter		Cumulative 1st Quarter	
	2016	2015	2016	2015
<u>Continuing operations</u>				
Pharmaceuticals	79,470	87,320	79,470	87,320
Chemicals	71,950	71,668	71,950	71,668
Others* and inter-segment transactions	111	4,088	111	4,088
Group result	151,531	163,076	151,531	163,076
<u>Discontinued operations</u>				
Fertilizers	53,564	107,056	53,564	107,056
	205,095	270,132	205,095	270,132

* Administrative and non-core activities

<i>In thousands of RM</i>	Segment Profit/(Loss) Before Tax			
	Individual 1st Quarter		Cumulative 1st Quarter	
	2016	2015	2016	2015
<u>Continuing operations</u>				
Pharmaceuticals	7,338	11,088	7,338	11,088
Chemicals	9,702	6,401	9,702	6,401
Others* and inter-segment transactions	(4,794)	(2,904)	(4,794)	(2,904)
Group result	12,246	14,585	12,246	14,585
<u>Discontinued operations</u>				
Fertilizers	(7,104)	(4,261)	(7,104)	(4,261)
	5,142	10,324	5,142	10,324

* Administrative and non-core activities



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A10) Property, plant and equipment

The Group adopts the cost model for its property, land and building.

A11) Post balance sheet event

There are no material events after the period end that has not been reflected in the Interim Financial Reports for the current financial period under review.

A12) Effect of changes in the composition of the Group

There were no changes in the composition of the Group for the period under review.

A13) Changes in contingent liabilities or contingent assets since the last annual balance sheet date

During financial year 2014, PT CCM Indonesia ("PTCCMI"), a subsidiary of the Company appealed against tax auditor's assessment with respect to year of assessment 2011. The contingent liability involved in the tax appeal amounted to IDR36,100,000,000 (equivalent to approximately RM9.7 million). The hearing of the appeals was concluded on 29th July 2015 and the matter is now pending decision from the Indonesian Tax Court.

Save as disclosed, there are no changes in contingent liabilities or assets as at end of the current interim financial period.

A14) Capital Commitments

Commitments for the purchase of property, plant and equipment as at 31 March 2016.

	31 March 2016 RM'000	31 December 2015 RM'000
Approved but not contracted for	266,371	269,074
Contracted but not provided for	19,136	35,099
	<u>285,507</u>	<u>304,173</u>

A15) Discontinued operations and assets/liabilities classified as held for sale

Pursuant to the Group's portfolio review in the financial year 2015, after analyzing the market outlook, competitive intensity and the attractiveness of industry, the Board had strategically decided to exit the fertilizer business. The Group therefore presents and disclose in its financial statements, the financial effects of discontinued operations in accordance to MFRS 5(*Non Current Assets Held For Sale and Discontinued Operations*). The results of the discontinued operations are as follows:-



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A15) Discontinued operations and assets/liabilities classified as held for sale (continued)

<i>In thousands of RM</i>	Current Period	
	3 months ended 31 March	
	2016	2015
<u>Results of discontinued operation</u>		
Revenue	53,564	107,056
Expenses	(60,668)	(111,317)
Results from operating activities	(7,104)	(4,261)
Income tax expense	(31)	1,061
Loss from discontinued operations	(7,135)	(3,200)
<u>Cash flows of discontinued operation</u>		
Cash generated from operating activities	21,155	2,730
Cash used in investing activities	(321)	(429)
Cash used in financing activities	(22,838)	(8,365)
Effect of cash flows	(2,004)	(6,064)
<i>In thousands of RM</i>	As at 31 March 2016	As at 31 December 2015
<u>Assets classified as held for sale</u>		
Property, plant and equipment	53,719	56,110
Prepaid lease payments	4,970	4,970
Inventories	50,871	66,868
Trade and other receivables	39,708	28,248
Current tax assets	251	187
Cash and cash equivalents	1,155	3,159
	150,674	159,542
<u>Liabilities classified as held for sale</u>		
Loans and borrowings	50,000	70,730
Trade and other payables	22,736	14,577
Current tax liabilities	3	3
	72,739	85,310



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Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1) Review of Performance

Commentary for Individual/Cumulative Quarter ended 31 March 2016

Continuing operations

For the current quarter ended 31 March 2016, the Group recorded revenue of RM151.5 million, lower by 7.1% compared to the corresponding quarter last year. The Group's profit before tax for the current quarter under review accordingly, decreased to RM12.2 million from RM14.6 million recorded in the same quarter last year.

Pharmaceuticals Division's revenue for the quarter was RM79.5 million, a decrease of 9.0% compared to the same quarter last year. The higher revenue for quarter ended 31 March 2015 was largely contributed by the pre-loading of purchases by customers ahead of the implementation of GST on 1 April 2015. The Division recorded profit before tax of RM7.3 million, a decrease of 33.8% as compared to the corresponding quarter last year. The lower profit recorded was mainly attributed by the lower sales registered during the quarter, and a decline in its trading margins due to products mix.

Chemicals Division recorded revenue of RM71.95 million during the quarter under review, which was marginally higher compared to the same quarter last year of RM71.67 million. The Division recorded a higher profit before tax of RM9.7 million, an increase of 51.6% as compared to the corresponding quarter last year. The growth in profit before tax is primarily due to improved margin on its products, and savings from its operational efficiency initiatives in both chemicals and polymers businesses.

Discontinued operations

In Note A15, the Group presents and discloses in its financial statements, the financial effects of discontinued operations in accordance to MFRS 5(*Non Current Assets Held For Sale and Discontinued Operations*).

Fertilizers Division recorded revenue of RM53.6 million during the quarter under review. This was 50% lower compared to the same quarter last year, as the Division currently focuses its activities on sales of existing stocks; pursuant to the closure of one of its manufacturing plant. During the period under review, Fertilizers Division recorded loss from the operation of RM7.1 million as compared to the loss of same period last year of RM4.3 million.

B2) Material changes in the Quarterly Results compared to the results of the Preceding Quarter

Continuing operations

The Group's revenue for the current quarter of RM151.5 million was lower by RM8.6 million (or 5.4%) as compared to the immediate preceding quarter revenue of RM160.1 million. This was mainly contributed by lower revenue recorded in both Pharmaceuticals and Chemical Divisions. The decline in revenue and lower trading margins resulted in the Group recording a lower profit before tax of RM12.2 million during the quarter, a decrease of 36.8%, compared to the preceding quarter.


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Discontinued operations

Fertilizers Division recorded revenue of RM53.6 million during the quarter under review. This was 14.4% lower compared to the preceding quarter, as the Division currently focuses its activities primarily on sales of existing stocks in line with the closure of one of its manufacturing plant. Loss from the operation for the quarter was RM7.1 million compared to RM83.8 million recorded in the immediate preceding quarter. (Note : Q4 2015 financial results included impairment made on certain assets of the fertilizers business totalling RM37.2 million)

B3) Prospects
Continuing operations

The prospects for the Pharmaceuticals Division remain positive as it consolidates its position in the local and regional markets, continuation of focus in Biotherapeutics, niche therapeutic areas and Halal leadership in the pharmaceuticals space. The demand for pharmaceuticals products is expected to remain relatively stable throughout the financial year.

The Chemicals Division is expected to continue to perform positively, although the markets remain competitive. The Chlor Alkali business is implementing continuous improvement program to extract operational savings, and striving to increase its trading margin while expanding its customer base within the region. At the same time, the Division's polymer coating business will roll out research and development (R&D) programmes to develop newer products to enhance competitiveness and market share.

Albeit a challenging business environment amidst volatility of currencies and low commodity prices, the Group remains steadfast in improving production efficiency and cost effectiveness across all of its business divisions.

B4) Variance of Actual Profit from Forecast Profit

The Group did not make any profit forecast or issue any profit guarantee.

B5) Taxation

Taxation charge of the Group for the current quarter and financial period was as follows:

	Current Quarter RM'000	Current Period RM'000
Taxation		
In respect of profit for the year	4,560	4,560
Transfer from deferred tax	(488)	(488)
	<u>4,072</u>	<u>4,072</u>
Tax expense on continuing operations	4,041	4,041
Tax expense on discontinued operations	31	31
	<u>4,072</u>	<u>4,072</u>

The Group's effective tax rate is higher than the statutory tax rate mainly due to non-deductibility of certain expenses for tax purposes, and non-eligibility of losses incurred in the regional businesses for group tax relief.



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B6) Profit Before Tax

	Current Quarter RM'000	Current Period RM'000
Operating profit is arrived at after charging / (crediting):		
Depreciation and amortization	12,781	12,781
Provision / (Over-provision) for and write-off / (write-back) of receivables	(622)	(622)
Provision / (Over-provision) for and write-off / (write-back) of inventories	568	568
Net foreign exchange loss / (gain)	940	940
Interest expense	8,185	8,185
Interest income	(2,201)	(2,201)
	<hr/>	<hr/>

Other than the above, there were no impairment of assets and gain or loss on derivatives for the current quarter and current period under review.

B7) Status of corporate proposals

Proposed Sale of Three (3) Parcels of Land in Medan, Indonesia.

On 23 February 2016, PT CCM Agripharma, a wholly-owned subsidiary of the Company, entered into a Conditional Land and Building Sale and Purchase Agreement ("SPA") with PT Feedmill Indonesia for the proposed sale of three (3) parcels of land in Medan, Indonesia measuring in aggregate 75,339 square meters together with the building thereon for a cash consideration of Indonesian Rupiah ("IDR") 121.8 billion on an 'as is where is' basis, subject to the terms and conditions as stipulated in the SPA. All Conditions Precedent as set out in the Sales and Purchase Agreement have been satisfied and the sale has been completed on 19 May 2016.

Save as the disclosed, there are no corporate proposals that have been announced by the Company but not completed as at the date of this announcement.



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B8) Group Borrowings and Debt Securities

The Group borrowings as at 31 March 2016 were as follows:

	31 March 2016 RM'000	31 December 2015 RM'000
<u>Continuing operations</u>		
Short term borrowings		
Unsecured		
Ringgit Malaysia denominated	175,631	167,759
Philippines Peso denominated	10,662	10,958
	<u>186,293</u>	<u>178,717</u>
Long term borrowings		
Unsecured		
Ringgit Malaysia denominated	462,368	454,379
	<u>648,661</u>	<u>633,096</u>
<u>Discontinued operations</u>		
Short term borrowings		
Unsecured		
Ringgit Malaysia denominated	50,000	70,730
	<u>50,000</u>	<u>70,730</u>

B9) Off Balance Sheet Financial Instruments

The Group did not have any financial instruments with off balance sheet risks as at the date of this report.



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B10) Earnings per share

There is no dilution to the earnings per ordinary share as there are no dilutive potential ordinary shares.

	Individual 1st Quarter		Cumulative 1st Quarter	
	31 March	31 March	31 March	31 March
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Basic and Diluted Earnings Per Share:-				
Profit after tax and minority shareholders' interests (RM'000)				
- from continuing operations	5,372	9,001	5,372	9,001
- from discontinued operations	(5,622)	(5,047)	(5,622)	(5,047)
	<u>(250)</u>	<u>3,954</u>	<u>(250)</u>	<u>3,954</u>
Issued ordinary shares at beginning of the quarter/year ('000)	457,630	457,630	457,630	457,630
Effects of treasury shares issued ('000)	(2,998)	(2,998)	(2,998)	(2,998)
	<u>454,632</u>	<u>454,632</u>	<u>454,632</u>	<u>454,632</u>
Weighted average number of ordinary shares ('000) at ending of the quarter/year				
	<u>454,632</u>	<u>454,632</u>	<u>454,632</u>	<u>454,632</u>
Basic earnings per share (sen)				
- from continuing operations	1.18	1.98	1.18	1.98
- from discontinued operations	(1.24)	(1.11)	(1.24)	(1.11)
	<u>(0.06)</u>	<u>0.87</u>	<u>(0.06)</u>	<u>0.87</u>

B11) Dividend

The Board of Directors had approved an interim dividend of 2.50 sen per share (2015:2.50 sen per share) based on paid up capital of 457.6 million shares at par value of RM1.00 each amounting to approximately RM11.4 million. The entitlement date in respect of the dividend was on 20 May 2016 and the payment will be made on 3 June 2016.



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B12) Economic Profit (“EP”) Statement

	Individual 1st Quarter		Cumulative 1st Quarter	
	31 March		31 March	
<u>Net operating profit after tax</u>				
<u>computation:</u>	2016	2015	2016	2015
<i>In millions of RM</i>				
Earnings before interest and tax	16.7	17.7	16.7	17.7
Adjusted tax	(4.2)	(4.4)	(4.2)	(4.4)
NOPAT	12.5	13.3	12.5	13.3
<u>Economic charge computation:</u>				
Average invested capital	1,220.2	1,277.2	1,220.2	1,277.2
Weighted average cost of capital	6.39%	6.50%	6.39%	6.50%
Economic charge	19.5	20.8	19.5	20.8
Economic (loss)/ profit	(7.0)	(7.5)	(7.0)	(7.5)

The EP statement is as prescribed under the Government-Linked Corporations (GLC) Transformation program, and is disclosed on a voluntary basis. EP measures the value created by a business during a single period reflecting how much return a business makes over its cost of capital.

B13) Material litigation

Claim by CCM Agriculture Sdn Bhd against GLE Logistics (M) Sdn Bhd

The Company’s wholly-owned subsidiary, CCM Agriculture Sdn. Bhd., had commenced legal proceedings against GLE Logistics (M) Sdn. Bhd. (“the Defendant”) in the High Court of Malaya at Kuala Lumpur vide Civil Suit No. 22NCVC-335-06/2015 for loss of products placed with the Defendant pursuant to a warehousing arrangement. Judgment in Default of Appearance has been obtained against Defendant on 1.10.2015. Petition for winding up the Defendant was filed on 20.1.2016. The High Court had on 17.03.2016 made a winding up order against GLE.

Save for the above, there were no other material litigations as at the end of period under review.

B14) Disclosure of Realised and Unrealised

	31 March	31 December
	2016	2015
	RM’000	RM’000
Total retained earnings		
- Realised	152,496	146,476
- Unrealised	32,044	38,314
	184,540	184,790



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B15) Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the directors on 21 May 2016.

By Order of the Board

NOOR AZWAH SAMSUDIN (LS0006071)
Company Secretary
23 May 2016