

MSM International Limited (formerly known as Mann Seng Metal International Limited)
(Co. Regn. No: 200918800R)

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE HALF YEAR ENDED
30 JUNE 2015**

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Prime Partners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore, telephone (65) 6229 8088.

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE HALF YEAR ENDED 30 JUNE 2015

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF YEAR RESULTS

1(a) (i) A consolidated statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group statement of comprehensive income for HY2015 and HY2014.

	Group		
	HY2015 (Unaudited)	HY2014 (Unaudited)	Increase/ (Decrease)
	RM'000		%
Revenue	39,781	48,108	(17.3%)
Cost of sales	(26,942)	(35,314)	(23.7%)
Gross Profit	12,839	12,794	0.4%
Other income - net	1,043	722	44.5%
Expenses			
- Selling and distribution	(3,508)	(3,479)	0.8%
- Administrative	(7,271)	(6,547)	11.1%
- Finance	(1,507)	(1,261)	19.5%
Profit before income tax	1,596	2,229	(28.4%)
Income tax expense	(461)	(581)	(20.7%)
Total comprehensive income	1,135	1,648	(31.1%)
Net profit attributable to:			
Equity holders of the Company	1,221	1,654	(26.2%)
Non-controlling interests	(86)	(6)	NM
	1,135	1,648	(31.1%)

NM: Not meaningful

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Note:

Profit before income tax is arrived at after charging/(crediting) the following:

	Group	
	HY2015 (Unaudited)	HY2014 (Unaudited)
	RM'000	
Reversal of allowance for impairment of trade receivables	(49)	(21)
Trade receivables written off	-	5
Depreciation and amortisation of investment properties	29	29
Depreciation of property, plant and equipment	1,993	1,887
Directors' remuneration	761	684
Net foreign exchange gain	(189)	(143)
Gain on disposal of property, plant and equipment	(112)	(200)
Interest income	(12)	(11)
Interest expense	1,507	1,261
Rental expenses	359	317
Rental income	(327)	(212)
Staff costs	9,779	8,915

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 30/6/15 (Unaudited)	As at 31/12/14 (Audited)	As at 30/6/15 (Unaudited)	As at 31/12/14 (Audited)
	RM'000	RM'000	RM'000	RM'000
ASSETS				
Current assets				
Cash and bank balances	8,513	8,947	*	*
Trade and other receivables	22,324	27,874	6,500	6,593
Inventories	30,744	29,376	-	-
Other current assets	5,066	4,180	15	15
	66,647	70,377	6,515	6,608
Non-current assets				
Property, plant and equipment	44,540	45,018	-	-
Investment properties	3,462	3,491	-	-
Investment in subsidiaries	-	-	19,673	19,622
Intangible assets	201	201	-	-
	48,203	48,710	19,673	19,622
Total assets	114,850	119,087	26,188	26,230
LIABILITIES				
Current liabilities				
Trade and other payables	17,063	21,267	3,549	3,202
Borrowings	30,849	30,741	-	-
Income tax liabilities	125	-	-	-
	48,037	52,008	3,549	3,202
Non-current liabilities				
Borrowings	22,116	23,591	-	-
Deferred income tax liabilities	236	211	-	-
	22,352	23,802	-	-
Total liabilities	70,389	75,810	3,549	3,202
NET ASSETS	44,461	43,277	22,639	23,028
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	26,862	26,862	26,862	26,862
Retained earnings/(accumulated losses)	17,723	16,502	(4,223)	(3,834)
	44,585	43,364	22,639	23,028
Non-controlling interests	(124)	(87)	-	-
Total equity	44,461	43,277	22,639	23,028

* Denotes amounts below RM1,000

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1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

	Group	
	As at 30/6/15 (Unaudited)	As at 31/12/14 (Audited)
RM'000		
Bank overdrafts	9,370	9,609
Bank borrowings	3,732	3,869
Bills payables	14,385	13,648
Finance lease liabilities	3,362	3,615
	30,849	30,741

Amount repayable after one year

	Group	
	As at 30/6/15 (Unaudited)	As at 31/12/14 (Audited)
RM'000		
Bank borrowings		
- due within two to five years	6,497	6,843
- due after five years	9,242	9,744
Finance lease liabilities		
- due within two to five years	6,205	6,762
- due after five years	172	242
	22,116	23,591

Details of collaterals

All of the above bank borrowings are fully secured. The bank overdrafts, bank borrowings, bills payables and finance lease liabilities are secured on:

- (i) Legal mortgages over the Group's freehold and leasehold land and buildings. As at 30 June 2015, the Group's freehold and leasehold land and buildings with carrying amounts of approximately RM24.5 million were mortgaged for bank borrowings. As at 30 June 2015, the Group's investment properties with carrying amounts of approximately RM3.5 million were mortgaged for bank borrowings;
- (ii) Short-term bank deposits; and
- (iii) Joint and personal guarantee of certain directors and a controlling shareholder.

In the case of finance leases in respect of plant and machinery, motor vehicles and computer equipment, the terms of these leases typically provide for the repossession by the finance company of these plant, machinery, motor vehicle and equipment upon a default by the lessee.

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1(c) A consolidated statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	HY2015 (Unaudited)	HY2014 (Unaudited)
	RM'000	
Cash flows from operating activities		
Net profit	1,135	1,648
Adjustments for:		
- Income tax expense	461	581
- Depreciation for property, plant and equipment	1,993	1,887
- Depreciation and amortisation of investment properties	29	29
- Gain on disposal of property, plant and equipment	(112)	(200)
- Interest income	(12)	(11)
- Interest expense	1,507	1,261
Change in working capital, net of effects	5,001	5,195
- Trade and other receivables	2,512	(8,375)
- Inventories	(1,368)	185
- Other current assets	(886)	(259)
- Trade and other payables	(4,204)	3,046
- Bills payable	737	3,803
Cash generated from operations	1,792	3,595
Interest paid	(324)	(232)
Interest received	12	11
Income tax refund/(paid) - net	2,727	(1,117)
Net cash generated from operating activities	4,207	2,257
Cash flow from investing activities		
Purchase of property, plant and equipment	(330)	(565)
Proceeds from disposals of property, plant and equipment	114	200
Net cash used in investing activities	(216)	(365)

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	Group	
	RM'000	
	HY2015 (Unaudited)	HY2014 (Unaudited)
Cash flows from financing activities		
Short-term bank deposits pledged	(12)	(11)
Repayment of bank borrowings	(985)	(654)
Repayment of finance lease liabilities	(2,067)	(1,828)
Interest paid	(1,183)	(1,029)
Proceeds from issuance of subsidiary's shares to non-controlling interest	49	-
Net cash used in financing activities	(4,198)	(3,522)
Net decrease in cash and cash equivalents	(207)	(1,630)
Cash and cash equivalents at beginning of financial period	(2,370)	(1,709)
Cash and cash equivalents at end of financial period	(2,577)	(3,339)

Note:

For the purpose of presenting the statements of cash flows, the cash and cash equivalents comprise the following:

	Group	
	HY2015 (Unaudited)	HY2014 (Unaudited)
	RM'000	
Cash and bank balances	8,513	5,345
Less: Short-term bank deposits pledged	(1,720)	(1,378)
Less: Bank overdraft	(9,370)	(7,306)
Cash and cash equivalents at end of financial period per Statements of Cash Flows	(2,577)	(3,339)

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group (Unaudited)	Share capital	Retained earnings	Total	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2015	26,862	16,502	43,364	(87)	43,277
Total comprehensive income for the financial period	-	1,221	1,221	(86)	1,135
Issue of subsidiary's shares to non-controlling interests	-	-	-	49	49
Balance as at 30 June 2015	26,862	17,723	44,585	(124)	44,461
Balance as at 1 January 2014	26,862	10,986	37,848	-	37,848
Total comprehensive income for the financial period	-	1,654	1,654	(6)	1,648
Balance as at 30 June 2014	26,862	12,640	39,502	(6)	39,496

Company (Unaudited)	Share capital	Accumulated losses	Total	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2015	26,862	(3,834)	23,028	-	23,028
Total comprehensive loss for the financial period	-	(389)	(389)	-	(389)
Balance as at 30 June 2015	26,862	(4,223)	22,639	-	22,639
Balance as at 1 January 2014	26,862	(3,085)	23,777	-	23,777
Total comprehensive loss for the financial period	-	(351)	(351)	-	(351)
Balance as at 30 June 2014	26,862	(3,436)	23,426	-	23,426

Save for the foregoing, there are no other (i) changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders.

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1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the Company's share capital during HY2015.

As at the end of the current financial period reported on, and as at the end of the corresponding period of the immediately preceding financial year, there are no outstanding convertibles or treasury shares.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30 June 2015	As at 31 December 2014
Total number of issued shares (excluding treasury shares)	90,000,000	90,000,000

The Company has no treasury shares or convertibles outstanding as at 30 June 2015 and 31 December 2014.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the Company's auditors.

3. Whether the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Save as disclosed in Note 5, the Group had consistently applied the same accounting policies and methods of computation in the Group's financial statement for the current financial period as those applied for the most recently audited financial statements for the financial year ended 31 December 2014.

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5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In the current financial period, the Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2015.

- FRS 27 (Revised 2011) - Separate Financial Statements
- FRS 28 (Revised 2011) - Investments in Associates and Joint Ventures
- Amendments to FRS 32 - Financial Instruments: Offsetting of Financial Liabilities and Assets
- Amendments to FRS 36 - Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to FRS 39 - Novation of Derivatives and Continuation of Hedge Accounting
- FRS 110 - Consolidated Financial Statements
- FRS 111 - Joint Arrangements
- FRS 112 - Disclosures of Interest in Other Entities
- Amendments to FRS 110, FRS 111, FRS 112 and FRS 27(2011) and FRS 28(2011) - Mandatory Effective Date
- Amendments to FRS 110, FRS 111, and FRS 112 - Transition Guidance
- Amendments to FRS 110, FRS 112 and FRS 27 - Investment Entities

The adoption of the above FRS did not result in any material change to the Group's accounting policies and did not have any significant impact on the financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	HY2015	HY2014
Earnings attributable to equity holders of the Company, after deducting any provision for preference dividends (RM'000)	1,221	1,654
Weighted average number of shares used in computation of basic EPS	90,000,000	90,000,000
Basic EPS attributable to equity holders of the Company (Malaysian sen)	1.36	1.84
Diluted EPS attributable to equity holders of the Company (Malaysian sen)	1.36	1.84

Basic EPS is computed by dividing the earnings attributable to the equity holders of the Company in each financial period by the weighted average number of ordinary shares outstanding as at the end of the respective financial period.

Fully diluted EPS is the same as the basic EPS as the Company did not have any outstanding instruments convertible into, rights to subscribe for and options in respect of its ordinary shares during the respective financial periods.

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7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued share capital of the issuer at the end of the:**
(a) **current financial period reported on; and**
(b) **immediately preceding financial year.**

	Group		Company	
	As at		As at	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
NAV per ordinary share (Malaysian sen)	49.40	48.09	25.15	25.59
Number of shares used in computation of NAV per share	90,000,000	90,000,000	90,000,000	90,000,000

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
(a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
(b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Commentary on Financial Results

Revenue

Revenue decreased by approximately RM8.3 million or 17.3% from approximately RM48.1 million in HY2014 to RM39.8 million in HY2015. This was mainly due to decrease in sales from OEM contract manufacturing, kitchen appliances, equipment and related services, cleanroom and laboratories and oil and gas segments amounting to RM3.2 million, RM0.2 million, RM1.5 million and RM3.4 million respectively in HY2015. The decrease in revenue for the OEM contract manufacturing and oil and gas segments was mainly due to the decrease in demands by the customers and certain projects are only due to be delivered in the 3rd quarter of FY2015.

Cost of sales and gross profit

Cost of sales decreased by approximately RM8.4 million or 23.7% from approximately RM35.3 million in HY2014 to RM26.9 million in HY2015 corresponding to the decrease in revenue. The gross profit margin in HY2015 improved by 5.7% compared to HY2014 mainly due to price reduction and better control on raw material usage.

Other income

Other income increased by approximately RM0.3 million or 44.5% from approximately RM0.7 million in HY2014 to approximately RM1.0 million in HY2015. This was mainly due to the insurance claimed for factory damages of approximately RM0.2 million and additional rental received of approximately RM0.1 million.

Administrative expenses

Administrative expenses increased by approximately RM0.7 million or 11.1% from approximately RM6.5 million in HY2014 to approximately RM7.2 million in HY2015. This was mainly due to the increase in staff cost of approximately RM0.6 million arising from annual salaries adjustment and promotions, and the increase in professional fees of approximately RM0.1 million.

Finance expenses

Finance expenses increased by approximately RM0.2 million or 19.5% from approximately RM1.3 million in HY2014 to approximately RM1.5 million in HY2015. This was mainly due to the increase in bank overdraft interest, bills payable interest and term loan interest by RM0.2 million arising from greater utilisation of these facilities for payment to suppliers and working capital purposes.

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Commentary on Financial Position

Assets

Cash and bank balances decreased by approximately RM0.4 million from approximately RM8.9 million as at 31 December 2014 to approximately RM8.5 million as at 30 June 2015. The decrease in cash and bank balances was mainly due to net cash used for working capital purposes.

Trade and other receivables decreased by approximately RM5.6 million from approximately RM27.9 million as at 31 December 2014 to approximately RM22.3 million as at 30 June 2015. Below is the breakdown of the trade and other receivables.

	Group	
	30 June 2015	31 December 2014
	RM'000	
Trade receivables	21,563	24,337
Other receivables	761	499
Tax recoverable	-	3,038
	22,324	27,874

Trade receivables decreased by approximately RM2.8 million from RM24.3 million as at 31 December 2014 to approximately RM21.6 million as at 30 June 2015 in line with the decrease in revenue. There was no tax recoverable as at 30 June 2015 as the tax authority has fully refunded the tax incentive claim.

Inventories increased by approximately RM1.4 million from approximately RM29.4 million as at 31 December 2014 to approximately RM30.7 million as at 30 June 2015. This was mainly due to projects work-in-progress for OEM contract manufacturing customers and to be delivered and billed in July 2015.

Other current assets increased by approximately RM0.9 million from approximately RM4.2 million as at 31 December 2014 to approximately RM5.1 million as at 30 June 2015. This was mainly due to the deposits paid to tender projects of approximately RM0.2 million, and prepayments for exhibition and trading products which amounted to approximately RM0.4 million.

Property, plant and equipment decreased by approximately RM0.5 million from approximately RM45.0 million as at 31 December 2014 to approximately RM44.5 million as at 30 June 2015. This was mainly due to depreciation of property, plant and equipment of approximately RM2.0 million offset by the purchase of property, plant and equipment of approximately RM1.5 million.

Liabilities

Trade and other payables decreased by approximately RM4.2 million from approximately RM21.3 million as at 31 December 2014 to approximately RM17.1 million as at 30 June 2015. This was mainly due to decrease in trade purchases of approximately RM3.1 million which was in line with the decrease in revenue. Other payables decreased by approximately RM1.1 million mainly due to down payment made for the purchase of a new property and payment made for professional fees.

Total borrowings decreased by approximately RM1.4 million from approximately RM54.3 million as at 31 December 2014 to approximately RM52.9 million as at 30 June 2015. This was mainly due to repayment of bank loans and finance lease liabilities which amounted to approximately RM1.9 million offset by the increase in utilisation of bills payables of approximately RM0.7 million.

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Commentary on Financial Cash Flow

The Group's cash and cash equivalents position improved by approximately RM0.6 million in as at 30 June 2015 as compared to 30 June 2014.

The Group generated a net cash inflow from operating activities of approximately RM4.2 million. This was derived from operating profit before working capital changes of approximately RM5.0 million, adjusted by net working capital outflow of approximately RM3.2 million, net interest paid of approximately RM0.3 million and net refund of income tax of approximately RM2.7 million. The net working capital outflow was mainly due to:

- (a) Decrease in trade and other payables of approximately RM4.2 million;
- (b) Increase in inventories of approximately RM1.4 million mainly due to projects work-in-progress for OEM contract manufacturing customers to be delivered and billed in July 2015.
- (c) Increase in other current assets of approximately RM0.9 million mainly due to deposits paid to tender projects, prepayments for exhibition and trading products.

Partially off-set by:

- (d) Decrease in trade receivables of approximately RM2.5 million due to decrease in sales; and
- (e) Increase in utilisation of bills payable of approximately RM0.7 million to pay the suppliers for purchase of materials.

Net cash used in investing activities amounted to approximately RM0.2 million mainly due to purchase of property, plant and equipment of approximately RM0.3 million offset by the proceeds from disposal of property, plant and equipment of approximately RM0.1 million.

Net cash used in financing activities amounted to approximately RM4.2 million mainly due to the repayment of term loan and finance lease liabilities which included interest payment amounting to approximately RM4.2 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement has been previously disclosed to the shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

With the drop in oil price and the weakening of Ringgit Malaysia, our OEM contract manufacturing, kitchen appliances and related services, cleanroom and laboratories and oil and gas segments have been affected. The Group has adopted a number of strategic initiatives to improve its financial and operating performance over the next 12 months. This includes continuing to explore strategic opportunities for the expansion of its sales and marketing reach locally and abroad and new products developments.

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11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been declared or recommended for HY2015.

(b) (i) Amount per share (cents)

Not applicable

(b) (ii) Previous corresponding period (cents)

Not applicable. No dividend had been declared or recommended for HY2014.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable

(d) The date the dividend is payable.

Not applicable

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended for the half year ended 30 June 2015.

13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for interested person transactions. By way of disclosure, the Company wishes to inform that there have been transactions with Welch (M) Sdn Bhd, Globalink Metal Sdn Bhd, Globalink Metal Stamping Sdn Bhd, Eminent Food Industries Sdn Bhd, Chan Strategy Sdn Bhd, Mr Chan Kee Sieng, and Mr Chan Kit Moi during HY2015.

Mr Chan Kee Sieng (a controlling shareholder and Executive Chairman of the Company), Mr Chan Kit Moi (a controlling shareholder and Executive Director of the Company) and Mr Chan Wen Chau (the Executive Director and Chief Executive Officer of the Company) are each regarded as an "interested person" under the provisions of Chapter 9 of the SGX-ST Listing Manual Section B: Rules of Catalist (the "Catalist Rules").

Welch (M) Sdn Bhd is regarded as an "interested person" under the provisions of Chapter 9 of the Catalist Rules because it is associated to Mr Chan Kee Sieng and Mr Chan Wen Chau.

Globalink Metal Sdn Bhd is regarded as an "interested person" under the Catalist Rules because it is associated to Mr Chan Kee Sieng, Mr Chan Kit Moi and Mr Chan Wen Chau.

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Globalink Metal Stamping Sdn Bhd is regarded as an “interested person” under the Catalist Rules because it is associated to Mr Chan Kee Sieng, Mr Chan Kit Moi and Mr Chan Wen Chau.

Eminent Food Industries Sdn Bhd is regarded as an “interested person” under Catalist Rules because it is associated to Mr Chan Kee Sieng and Mr Chan Kit Moi.

Chan Strategy Sdn Bhd is regarded as an “interested person” under the Catalist Rules because it is associated to Mr Chan Kee Sieng and Mr Chan Kit Moi.

None of these transactions (individually) were of a value that exceeded S\$100,000. Set out below is the voluntary disclosure of information concerning these transactions in HY2015.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (including transactions less than S\$100,000 and excluding transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (including transactions less than S\$100,000)
	RM'000	RM'000
Sale of goods to:		
Globalink Metal Sdn Bhd	3	-
Globalink Metal Stamping Sdn Bhd	7	
Welch (M) Sdn Bhd	267	
Purchase of material from:		
Globalink Metal Sdn Bhd	45	-
Service charges charged to:		
Eminent Food Industries Sdn Bhd	11	-
Rental expenses paid to:		
Mr Chan Kee Sieng and Mr Chan Kit Moi in respect of the premises No. 3 Taman Kencana, Selangor, Malaysia.	54	-
Chan Strategy Sdn Bhd in respect of the premises No. 39, Taman Taming Jaya, Selangor, Malaysia.	7	-

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**14. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual Section B:
Rules of Catalist**

On behalf of the Board of Directors of the Company, we hereby confirm that to the best knowledge of the Directors of the Company nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for HY2015 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Chan Kee Sieng
Executive Chairman

Chan Kit Moi
Executive Director

BY ORDER OF THE BOARD

**Chan Kee Sieng
Executive Chairman
11 August 2015**