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SHANGRI-LA ASIA LIMITED

香格里拉(亞洲)有限公司

(Incorporated in Bermuda with limited liability)

website: www.ir.shangri-la.com

(Stock code: 00069)

OVERSEAS REGULATORY ANNOUNCEMENT

Shangri-La Hotels (Malaysia) Berhad (“SHMB”) is a company listed on Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”) and a 52.78% owned subsidiary of Shangri-La Asia Limited (“**Company**”). SHMB released to Bursa Malaysia an announcement (“**Announcement**”) today. The following is a reproduction of the Announcement as required by the Note to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

As at the date hereof, the directors of the Company are:

Executive directors

Mr KUOK Khoon Chen (Chairman)

Mr LUI Man Shing

Mr Madhu Rama Chandra RAO

Mr Gregory Allan DOGAN

Mr LIU Kung Wei Christopher

Independent non-executive directors

Mr Alexander Reid HAMILTON

Mr Timothy David DATTELS

Professor LI Kwok Cheung Arthur

Dr LEE Kai-Fu

Non-executive directors

Mr HO Kian Guan

Ms KUOK Hui Kwong

Mr HO Kian Hock (alternate to Mr HO Kian Guan)

Hong Kong, 18 May 2016

Quarterly rpt on consolidated results for the financial period ended 31 Mar 2016

SHANGRI-LA HOTELS (MALAYSIA) BERHAD

Financial Year End 31 Dec 2016
 Quarter 1 Qtr
 Quarterly report for the financial period ended 31 Mar 2016
 The figures have not been audited

Attachments
1st Qtr 31 March 2016 Results..pdf 473.3 kB

Default Currency	Other Currency
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Currency: Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION
31 Mar 2016

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	135,265	120,659	135,265	120,659
2 Profit/(loss) before tax	30,313	35,248	30,313	35,248
3 Profit/(loss) for the period	21,269	26,765	21,269	26,765
4 Profit/(loss) attributable to ordinary equity holders of the parent	18,932	25,569	18,932	25,569
5 Basic earnings/(loss) per share (Subunit)	4.30	5.81	4.30	5.81
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)		2.3882		2.3451

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	SHANGRI-LA HOTELS (MALAYSIA) BERHAD
Stock Name	SHANG
Date Announced	18 May 2016
Category	Financial Results
Reference Number	FRA-18052016-00023

SHANGRI-LA HOTELS (MALAYSIA) BERHAD
(10889-U)
(Incorporated in Malaysia)

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

The Board of Directors of Shangri-La Hotels (Malaysia) Berhad wishes to announce the following :-

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended		3 months ended	
	31.3.2016	31.3.2015	31.3.2016	31.3.2015
	RM'000	RM'000	RM'000	RM'000
Revenue	135,265	120,659	135,265	120,659
Operating profit	26,591	32,134	26,591	32,134
Interest expense	(625)	(379)	(625)	(379)
Interest income	881	339	881	339
Share of results of associated companies	3,466	3,154	3,466	3,154
Profit before tax	30,313	35,248	30,313	35,248
Tax expense	(9,044)	(8,483)	(9,044)	(8,483)
Profit for the period	21,269	26,765	21,269	26,765
<u>Attributable to:</u>				
Shareholders of the Company	18,932	25,569	18,932	25,569
Non-controlling interests	2,337	1,196	2,337	1,196
	21,269	26,765	21,269	26,765
Basic Earnings per Ordinary Share (sen)	4.30	5.81	4.30	5.81
Diluted Earnings per Ordinary Share (sen)	NA	NA	NA	NA

(The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2015)

NA - not applicable

SHANGRI-LA HOTELS (MALAYSIA) BERHAD
(10889-U)
(Incorporated in Malaysia)

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended		3 months ended	
	31.3.2016	31.3.2015	31.3.2016	31.3.2015
	RM'000	RM'000	RM'000	RM'000
Profit for the period	21,269	26,765	21,269	26,765
Other comprehensive income/(expense) for the period	-	-	-	-
Total comprehensive income for the period	21,269	26,765	21,269	26,765
<u>Attributable to:</u>				
Shareholders of the Company	18,932	25,569	18,932	25,569
Non-controlling interests	2,337	1,196	2,337	1,196
	21,269	26,765	21,269	26,765

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2015)

SHANGRI-LA HOTELS (MALAYSIA) BERHAD
(10889-U)
(Incorporated in Malaysia)

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.3.2016 RM'000	As at 31.12.2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	733,814	746,294
Investment properties	288,062	287,980
Interest in associates	230,660	226,090
Property development expenditure	12,286	12,286
Deferred tax assets	2,205	5,189
	<u>1,267,027</u>	<u>1,277,839</u>
Current assets		
Inventories	7,767	8,242
Trade and other receivables, prepayments and deposits	35,843	32,327
Tax recoverable	4,502	4,552
Cash and cash equivalents	119,550	97,200
	<u>167,662</u>	<u>142,321</u>
Total assets	<u>1,434,689</u>	<u>1,420,160</u>
EQUITY		
Capital and reserves		
Share capital	440,000	440,000
Reserves	610,797	591,865
Total equity attributable to shareholders of the Company	<u>1,050,797</u>	<u>1,031,865</u>
Non-controlling interests	110,381	108,044
Total equity	<u>1,161,178</u>	<u>1,139,909</u>
LIABILITIES		
Non-current liabilities		
Retirement benefits	21,828	21,322
Deferred tax liabilities	19,184	18,334
	<u>41,012</u>	<u>39,656</u>
Current liabilities		
Trade and other payables and accruals	81,636	100,351
Short-term borrowings	149,845	138,917
Current tax liabilities	1,018	1,327
	<u>232,499</u>	<u>240,595</u>
Total liabilities	<u>273,511</u>	<u>280,251</u>
Total equity and liabilities	<u>1,434,689</u>	<u>1,420,160</u>
Net Assets per Ordinary Share (RM) Attributable to Shareholders of the Company	2.39	2.35

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2015)

SHANGRI-LA HOTELS (MALAYSIA) BERHAD
(10889-U)
(Incorporated in Malaysia)

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 3 months ended 31 March 2016

<i>All figures in RM'000</i>	Attributable to Shareholders of the Company			Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
	Share capital	Share premium	Retained earnings			
	← Non-distributable →		← Distributable →			
Balance at 1 January 2015	440,000	104,501	410,478	954,979	100,164	1,055,143
Net profit for the period	-	-	25,569	25,569	1,196	26,765
Other comprehensive income/(expense) for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	25,569	25,569	1,196	26,765
Balance at 31 March 2015	440,000	104,501	436,047	980,548	101,360	1,081,908
Balance at 1 January 2016	440,000	104,501	487,364	1,031,865	108,044	1,139,909
Net profit for the period	-	-	18,932	18,932	2,337	21,269
Other comprehensive income/(expense) for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	18,932	18,932	2,337	21,269
Balance at 31 March 2016	440,000	104,501	506,296	1,050,797	110,381	1,161,178

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2015)

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SHANGRI-LA HOTELS (MALAYSIA) BERHAD
(10889-U)
(Incorporated in Malaysia)

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the 3 months ended 31 March 2016

	31.3.2016	31.3.2015
	RM'000	RM'000
Profit before tax	30,313	35,248
Adjustments for non-cash flow:-		
Non-cash items	22,020	7,424
Non-operating items	(256)	40
Operating profit before changes in working capital	<u>52,077</u>	<u>42,712</u>
Changes in working capital		
Net change in current assets	(3,041)	(2,414)
Net change in current liabilities	(18,715)	(24,428)
Cash generated from operations	<u>30,321</u>	<u>15,870</u>
Income taxes paid	(5,469)	(8,056)
Retirement benefits paid	(69)	(55)
Net cash inflow from operating activities	<u>24,783</u>	<u>7,759</u>
Investing activities		
Interest income received	881	339
Purchase of property, plant and equipment	(3,245)	(11,632)
Additions to investment properties	(82)	(187)
Net cash outflow from investing activities	<u>(2,446)</u>	<u>(11,480)</u>
Financing activities		
Drawdown of loans	25,122	21,629
Interest expense paid	(625)	(379)
Advances to associates	(24,484)	(21,413)
Net cash inflow/(outflow) from financing activities	<u>13</u>	<u>(163)</u>
Net increase/(decrease) in cash & cash equivalents	<u>22,350</u>	<u>(3,884)</u>
Cash & cash equivalents at beginning of the year	97,200	56,595
Cash & cash equivalents at end of financial period	<u>119,550</u>	<u>52,711</u>
Cash and cash equivalents at end of financial period	119,550	52,711
Bank overdraft at end of financial period	-	-
Cash & cash equivalents in the statement of financial position	<u>119,550</u>	<u>52,711</u>

(The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2015)

**ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016**

NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”)

A1 Accounting Policies

The condensed consolidated interim financial statements of the Group for the current reporting period have been prepared in accordance with MFRS 134 - Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), and should be read in conjunction with the Group’s financial statements for the year ended 31 December 2015. These condensed consolidated interim financial statements also comply with IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

Except as described below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements of the Group for the year ended 31 December 2015.

The Group has adopted the following amendments to Malaysian Financial Reporting Standards (“MFRS”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2016.

Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 119	Employee Benefits
Amendments to MFRS 127	Separate Financial Statements
Amendments to MFRS 134	Interim Financial Reporting

The adoption of these amendments did not have any significant impact on the financial statements or position of the Group.

A1.1 MFRS and Amendments Issued But Not Yet Effective

The Group has not adopted the following new MFRS and amendments to MFRS, that have been issued which are relevant to the Group but not yet effective:-

		Effective for annual periods beginning on or after
Amendments to MFRS 107	Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 16	Leases	1 January 2019

In addition to the above, MASB has also issued the amendments to MFRS 10 and MFRS 128 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, which are effective from annual periods beginning on or after 1 January 2016. However, on 31 December 2015, MASB announced the deferment of the mandatory effective date of these amendments. The Group will apply these amendments when they become applicable.

The Group does not expect any significant financial impact on its financial statements or position from the adoption of these new MFRS and amendments to MFRS.

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

NOTES PURSUANT TO MFRS 134

A2 Seasonal or Cyclical Factors

The business operations of the Group have not been materially affected by seasonal or cyclical factors during the financial period ended 31 March 2016.

A3 Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the financial period ended 31 March 2016.

A4 Material Changes in Estimates

There were no changes in estimates of amounts reported in prior interim periods or changes in estimates of amounts reported in prior financial years, which have a material effect on the financial statements for the first quarter ended 31 March 2016.

A5 Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period ended 31 March 2016.

A6 Dividends Paid

There was no dividend paid during the financial period ended 31 March 2016.

A7 Segmental Reporting

The segmental analysis of the Group's results and assets are set out below.

For the quarter ended 31 March 2016 <i>(All figures in RM'000)</i>	Hotels & Resorts	Investment Properties	Others	Inter-segment Elimination	Consolidated Total
Segment Revenue					
Revenue from external customers	128,089	6,290	886	-	135,265
Inter-segment revenue	-	521	790	(1,311)	-
Total revenue	128,089	6,811	1,676	(1,311)	135,265
Segment Results					
Operating profit	21,894	3,937	1,521	(761)	26,591
Interest expense	(843)	-	(624)	842	(625)
Interest income	1,618	93	12	(842)	881
Share of results of associated companies	3,466	-	-	-	3,466
Profit before tax	26,135	4,030	909	(761)	30,313
As at 31 March 2016 <i>(All figures in RM'000)</i>					
Segment assets	1,134,160	312,950	13,457	(256,538)	1,204,029
Interest in associates	230,660	-	-	-	230,660
Total assets	1,364,820	312,950	13,457	(256,538)	1,434,689

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

NOTES PURSUANT TO MFRS 134

A8 Material Events Subsequent to the End of the Current Financial Period

In the opinion of the Directors, there was no item or event of a material or unusual nature which has occurred between 31 March 2016 and the date of this report that would materially affect the results of the Group for the financial period ended 31 March 2016.

A9 Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period ended 31 March 2016.

A10 Changes in Contingent Liabilities or Contingent Assets

There have been no changes in the contingent liabilities or assets of the Group since the last annual balance sheet date as at 31 December 2015 to the date of this report.

A11 Capital Commitments

Capital commitments for property, plant and equipment and investment properties not provided for as at 31 March 2016 are as follows:-

	RM'000
Authorised and contracted for	9,643
Authorised but not contracted for	108,548
	118,191

A12 Related Party Transactions

3 months ended 31.3.2016
RM'000

Transactions with subsidiaries of the ultimate holding company

Payment of management, marketing and reservation fees to Shangri-La International Hotel Management Ltd and Shangri-La International Hotel Management Pte Ltd, wholly-owned subsidiaries of Shangri-La Asia Limited 4,264

Transactions with corporations in which Mdm Kuok Oon Kwong, Director of the Company, has direct or indirect financial interests

Office rental income received from Kuok Brothers Sdn Bhd, PPB Group Berhad, PPB Oil Palms Berhad, PGEO Marketing Sdn Bhd, Chemquest Sdn Bhd and Southern Marina Development Sdn Bhd 673

Transactions with associates of the Group

Additional loans advanced by Madarac Corporation, the Group's wholly-owned subsidiary incorporated in the British Virgin Islands to its associated companies in Myanmar 24,484

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B1 Review of Group Results 1st Quarter 2016 vs 1st Quarter 2015

During the first quarter to 31 March 2016, Group revenue grew by 12% to RM135.265 million from RM120.659 million for the same period in 2015.

Group pre-tax profit for the quarter, however, fell to RM30.313 million, a decrease of 14% compared with RM35.248 million the previous year.

Net profit attributable to shareholders for the quarter was RM18.932 million, down 26% from RM25.569 million in 2015. The Group's first quarter 2016 result primarily reflected the negative impact of unrealised net foreign exchange losses amounting to RM9.186 million on the translation of the Group's US dollar loans to its associates in Myanmar, due to a weaker US dollar exchange rate.

Excluding foreign currency translation effects in both years, net profit increased by 34% to RM28.118 million in the first quarter 2016 from RM20.907 million in 2015, driven mainly by the improved operating results from the Group's resorts in Sabah and Penang, which helped to offset the reduced contributions from Shangri-La Hotel Kuala Lumpur and Hotel Jen Penang.

Rasa Ria Resort delivered a 44% growth in revenue over the first quarter 2015 to RM36.221 million, helped by an encouraging rebound in visitor arrivals from its key markets. The resort's pre-tax profit in the first quarter 2016 rose to RM12.846 million, 178% higher than for the same quarter in 2015. Occupancy at the resort was 74%, compared to 66% in 2015.

Revenue from Rasa Sayang Resort in the quarter increased by 21% to RM23.377 million, and pre-tax profit grew by 40% to RM6.519 million, compared with the first quarter 2015. A steady growth in leisure arrivals pushed the resort's occupancy up to 84% from 61% the previous year.

Higher leisure demand also enabled Golden Sands Resort to raise its occupancy to 80% from 64%, with revenue growing by 17% from the first quarter 2015 to RM15.137 million. Pre-tax profit for the resort in the first three months of 2016 was RM4.646 million, an improvement of 43% on 2015.

The performance by Shangri-La Hotel Kuala Lumpur during the quarter was affected by a drop in food and beverage business. Revenue for the hotel was down 2% to RM44.841 million, while pre-tax profit decreased from RM11.461 million in the first quarter last year to RM10.227 million. The hotel's occupancy was 71% versus 68% in the prior year.

For Hotel Jen Penang, a decline in corporate demand combined with strong competitive conditions drove occupancy lower to 57% from 64%, which resulted in a 23% fall in revenue to RM6.963 million. The hotel posted a loss of RM0.159 million in the first quarter 2016, compared to a profit of RM1.336 million in 2015.

The combined rental revenue from the investment properties of the Group increased to RM6.811 million from RM6.714 million in the first quarter 2015, underpinned by a stronger contribution from UBN Tower as a result of higher occupancy and rental rates. Their net profit of RM3.125 million in the first quarter 2016 was slightly ahead of the same period last year.

In the first three months to 31 March 2016, the Group's share of profits from its associated companies in Myanmar rose to RM3.466 million against RM3.154 million in the comparable period, mainly on account of good results for the Shangri-La Serviced Apartments.

SHANGRI-LA HOTELS (MALAYSIA) BERHAD
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(Incorporated in Malaysia)

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B2 Comparison of Group Results 1st Quarter 2016 vs 4th Quarter 2015

Group revenue for the first quarter to 31 March 2016 showed a small improvement to RM135.265 million from RM133.952 million in the fourth quarter ended 31 December 2015, as higher revenues from the Group's resorts in Sabah and Penang were largely offset by a decline in revenues at Shangri-La Hotel Kuala Lumpur and Hotel Jen Penang.

The Group's pre-tax profit in the first quarter 2016 decreased by 31% to RM30.313 million, compared with RM43.951 million in the fourth quarter 2015. This reduction was mainly attributable to the sharply lower share of profit contribution from the Group's associates in the first quarter 2016 versus the fourth quarter 2015, which had included a net fair value gain of RM19.060 million.

During the quarter, Rasa Ria Resort and Rasa Sayang Resort achieved good increases in occupancy, benefiting from a healthy pick up in leisure demand. Rasa Ria Resort grew its occupancy to 74% from 53% in the fourth quarter 2015, leading to a 41% rise in revenue to RM36.221 million. At Rasa Sayang Resort, revenue increased by 6% to RM23.377 million, on the back of a higher occupancy of 84% versus 75% in the fourth quarter 2015. Occupancy for Golden Sands Resort improved to 80% from 78%, with revenue up 2% when compared to the fourth quarter 2015.

On the other hand, Shangri-La Hotel Kuala Lumpur recorded a revenue decline of 16% over the fourth quarter 2015 to RM44.841 million, reflecting lower business levels both in rooms and in food and beverage operations. With lacklustre corporate demand, Hotel Jen Penang saw its occupancy fall to 57% from 72%, with overall revenue down 24% against the fourth quarter 2015.

The combined rental revenue from the Group's investment properties in Kuala Lumpur for the first three months of 2016 was RM6.811 million, broadly level with that of the fourth quarter last year.

B3 Prospects for 2016

Looking ahead, the Group's hotel businesses as a whole are well positioned to benefit from the ongoing positive momentum in leisure travel, despite slower demand from the corporate market.

The major renovation of all the guestrooms at Hotel Jen Penang is due to start in June 2016 and is scheduled to be fully completed by the middle of 2017.

For the Group's investment properties, UBN Tower is likely to see a relatively stable performance as the prime office rental market in Kuala Lumpur should hold generally steady through the remainder of 2016. The outlook for UBN Apartments remains weak in a difficult market environment.

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B4 Variance on Profit Forecast/Profit Guarantee

Not applicable.

B5 Taxation

The tax charge of the Group for the financial period under review is as follows:-

	3 months ended		3 months ended	
	31.3.2016 RM'000	31.3.2015 RM'000	31.3.2016 RM'000	31.3.2015 RM'000
Current taxation				
- Company and subsidiaries	5,785	6,548	5,785	6,548
Deferred taxation	3,834	1,943	3,834	1,943
(Over)/under provision in respect of prior years				
- Company and subsidiaries	(575)	(8)	(575)	(8)
	9,044	8,483	9,044	8,483

The Group's effective tax rate on profit before tax for the first three months ended 31 March 2016 was 30%. This rate was higher compared to the statutory tax rate of 24% largely due to the impact of the unrealised foreign currency translation losses on the Group's US dollar loans to its associates in Myanmar during the quarter, which are not tax deductible.

B6 Status of Corporate Proposals

There were no corporate proposals and unutilised proceeds raised from any corporate proposals as at the date of this report.

B7 Group Borrowings and Debt Securities

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

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	-	-	-
Unsecured	149,845*	-	149,845
	149,845*	-	149,845

* Amounts drawdown comprised HKD42.8 million and USD14.883 million from two offshore banks in Labuan, and USD18.0 million from a local bank.

There were no debt securities in the financial period ended 31 March 2016.

B8 Financial Instruments

Derivatives

There were no outstanding derivative financial instruments as at 31 March 2016.

Gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from fair value changes of financial liabilities for the financial period ended 31 March 2016.

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B9 Changes in Material Litigation

There was no material litigation pending as at the date of this report.

B10 Dividend

No Interim dividend has been declared for the financial period ended 31 March 2016.

B11 Earnings per Share

The basic earnings per ordinary share for the three (3) months ended 31 March 2016 have been calculated as follows:-

	3 months ended		3 months ended	
	31.3.2016	31.3.2015	31.3.2016	31.3.2015
Profit attributable to shareholders of the Company (RM'000)	18,932	25,569	18,932	25,569
No. of ordinary shares in issue ('000)	440,000	440,000	440,000	440,000
Basic Earnings Per Share (sen)	4.30	5.81	4.30	5.81

Diluted Earnings per Share

Not applicable.

B12 Realised and Unrealised Profits/Losses

	As at 31.3.2016 RM'000	As at 31.12.2015 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	542,804	511,220
- Unrealised	125,024	138,044
	667,828	649,264
Total share of accumulated losses in associated companies		
- Realised	(34,537)	(38,003)
- Unrealised	20,602	20,602
	653,893	631,863
Add : Consolidation adjustments	(147,597)	(144,499)
Total Group retained profits	506,296	487,364

**ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016**

NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B13 Notes to the Statement of Comprehensive Income

	3 months ended		3 months ended	
	31.3.2016 RM'000	31.3.2015 RM'000	31.3.2016 RM'000	31.3.2015 RM'000
Net profit for the period/year is arrived at after charging:-				
Interest expense	(625)	(379)	(625)	(379)
Depreciation	(15,614)	(14,625)	(15,614)	(14,625)
Foreign exchange loss	(23,380)	(5,788)	(23,380)	(5,788)
Allowance for doubtful debts - trade receivables	(128)	(35)	(128)	(35)
and after crediting:-				
Interest income	881	339	881	339
Foreign exchange gain	14,194	10,450	14,194	10,450
Write back of allowance for doubtful debts - trade receivables	-	-	-	-

Other than the above which have been included in the statement of comprehensive income, there were no impairment of assets, gain or loss on disposal of quoted or unquoted investments or properties and exceptional items for the financial period ended 31 March 2016.

B14 Audit Report of the Group's Preceding Annual Financial Statements

There was no qualification in the audit report of the Group's financial statements for the year ended 31 December 2015.

**By Order of the Board
Datin Rozina Mohd Amin
Company Secretary**

**Kuala Lumpur
18 May 2016**