



Carlsberg Brewery Malaysia Berhad

Company No. 9210-K
(Incorporated in Malaysia)

Interim Financial Report
30 June 2015

Interim Financial Report for the Quarter Ended 30 June 2015

CARLSBERG BREWERY MALAYSIA BERHAD

(Company No.: 9210-K)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Quarter Ended 30 June 2015

	3 months ended 30 June		6 months ended 30 June	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Revenue	402,327	356,021	831,781	801,957
Operating expenses	(359,659)	(306,725)	(732,478)	(685,489)
Other operating income	561	1,973	3,888	2,716
Profit from operations	43,229	51,269	103,191	119,184
Interest income	550	324	764	514
Interest expense	(1,954)	(1,473)	(2,936)	(2,837)
Share of profit of equity accounted associate, net of tax	2,737	2,406	6,530	4,898
Profit before taxation	44,562	52,526	107,549	121,759
Taxation	(12,485)	(12,073)	(26,733)	(27,901)
Profit for the period	32,077	40,453	80,816	93,858
Profit attributable To:				
Owner of the Company	31,707	40,041	78,935	92,373
Non-controlling interests	370	412	1,881	1,485
Profit for the period	32,077	40,453	80,816	93,858
Profit for the period	32,077	40,453	80,816	93,858
Other comprehensive (expenses)/income				
Foreign currency translation differences for foreign operations	2,945	(752)	6,256	(1,336)
Total comprehensive income for the period	35,022	39,701	87,072	92,522
Total comprehensive income attributable to:				
Owner of the Company	34,652	39,289	85,191	91,037
Non-controlling interests	370	412	1,881	1,485
Total comprehensive income for the period	35,022	39,701	87,072	92,522
EPS - Basic (sen)	10.37	13.10	25.82	30.21
- Diluted (sen)	N/A	N/A	N/A	N/A

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Report for the Quarter Ended 30 June 2015

CARLSBERG BREWERY MALAYSIA BERHAD

(Company No.: 9210 -K)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	AS AT 30.06.15 RM'000	AS AT 31.12.14 RM'000
ASSETS		
<u>Non-current assets</u>		
Property, plant & equipment	153,504	154,343
Other intangible assets	5,245	10,009
Investment in an associate	68,155	58,227
Deferred tax assets	1,683	2,466
	228,587	225,045
<u>Current assets</u>		
Inventories	47,895	66,369
Receivables, deposits and prepayments	237,223	279,768
Current tax assets	2,083	2,373
Cash & cash equivalents	26,873	87,993
	314,074	436,503
Assets classified as held for sale	65,096	-
	379,170	436,503
TOTAL ASSETS	607,757	661,548
EQUITY		
Total equity attributable to equity holders of the Company		
Share capital	154,039	154,039
Reserves	41,845	158,116
	195,884	312,155
Non-controlling interests	18,331	18,966
Total Equity	214,215	331,121
LIABILITIES		
<u>Non-Current Liabilities</u>		
Deferred tax liabilities	16,073	16,006
<u>Current Liabilities</u>		
Payables and accruals	193,540	245,347
Current tax liabilities	22,330	16,862
Loans and borrowings	129,695	52,212
	345,565	314,421
Liabilities classified as held for sale	31,904	-
	377,469	314,421
TOTAL LIABILITIES	393,542	330,427
TOTAL EQUITY AND LIABILITIES	607,757	661,548
Net assets per share (RM)	0.70	1.08

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Report for the Quarter Ended 30 June 2015

CARLSBERG BREWERY MALAYSIA BERHAD

(Company No.: 9210 -K)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Quarter Ended 30 June 2015

Group	<i>Attributable to Equity Holders of the Parent</i>									Total RM'000	Non- controlling Interests RM'000	Total RM'000
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Exchange Reserve RM'000	Capital Reserve RM'000	Share Option Reserve RM'000	Put Option Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000			
At 1 January 2014	154,039	(12,043)	7,367	505	3,931	747	(20,057)	(780)	140,017	273,726	10,522	284,248
Total comprehensive income for the year	-	-	-	3,874	-	-	-	-	211,582	215,456	5,339	220,795
Dividends to owner of the Company	-	-	-	-	-	-	-	-	(186,506)	(186,506)	-	(186,506)
Acquisition of non-controlling shareholder interests	-	-	-	-	-	-	-	-	-	-	3,105	3,105
Change in fair value of put option	-	-	-	-	-	-	9,466	-	-	9,466	-	9,466
Others	-	-	-	-	-	13	-	-	-	13	-	13
At 31 December 2014	<u>154,039</u>	<u>(12,043)</u>	<u>7,367</u>	<u>4,379</u>	<u>3,931</u>	<u>760</u>	<u>(10,591)</u>	<u>(780)</u>	<u>165,093</u>	<u>312,155</u>	<u>18,966</u>	<u>331,121</u>
At 1 January 2015	154,039	(12,043)	7,367	4,379	3,931	760	(10,591)	(780)	165,093	312,155	18,966	331,121
Total comprehensive income for the year	-	-	-	6,256	-	-	-	-	78,935	85,191	1,881	87,072
Dividends to owner of the Company	-	-	-	-	-	-	-	-	(201,794)	(201,794)	-	(201,794)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(2,516)	(2,516)
Others	-	-	-	-	-	332	-	-	-	332	-	332
At 30 June 2015	<u>154,039</u>	<u>(12,043)</u>	<u>7,367</u>	<u>10,635</u>	<u>3,931</u>	<u>1,092</u>	<u>(10,591)</u>	<u>(780)</u>	<u>42,234</u>	<u>195,884</u>	<u>18,331</u>	<u>214,215</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Report for the Quarter Ended 30 June 2015

CARLSBERG BREWERY MALAYSIA BERHAD

(Company No.: 9210-K)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the Quarter Ended 30 June 2015

	6 months ended	
	30 June	
	2015	2014
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	107,549	121,759
Adjustments for:		
Non-cash items	24,860	7,233
Interest income	(764)	(514)
Interest expense	2,936	2,837
Operating profit before working capital changes	134,581	131,315
Changes in working capital:		
Inventories	13,640	2,612
Receivables, deposits and prepayments	(25,864)	15,456
Payables and accruals	(20,131)	(16,312)
Cash generated from operations	102,226	133,071
Income tax paid	(22,373)	(23,418)
Net cash from operating activities	79,853	109,653
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	149	815
Acquisition of property, plant and equipment	(13,758)	(2,120)
Acquisition of intangible assets	(932)	(39)
Acquisition of a subsidiary, net of cash acquired	-	(3,341)
Interest received	764	514
Net cash used in investing activities	(13,777)	(4,171)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to shareholders of the Company	(201,794)	(171,219)
Dividend paid to non-controlling interests of subsidiary	(2,516)	-
Interest paid	(2,936)	(2,837)
Net proceed of short term borrowings	77,483	93,726
Net cash used in financing activities	(129,763)	(80,330)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(63,687)	25,152
Effect of exchange rate fluctuations on cash held	2,567	(516)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	87,993	44,141
CASH AND CASH EQUIVALENTS AT 30 JUNE	26,873	68,777

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

Notes :
1. Basis of Preparation

This Interim Financial Report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134, *Interim Financial Reporting* issued by Malaysian Accounting Standards Board, and International Accounting Standard (IAS) 34, *Interim Financial Reporting* issued by International Accounting Standards Board and paragraph 9.22 together with Part A, Appendix 9B of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Interim Financial Report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2014.

1.1 MFRS, Amendments to MFRSs and IC Interpretation Issued But Not Yet Effective

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

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual period beginning on or after
Amendments to MFRS 5	Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)	1 January 2016
Amendments to MFRS 7	Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)	1 January 2016
Amendments to MFRS 10	Consolidated Financial Statements – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 10	Consolidated Financial Statements – Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 11	Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 12	Disclosure of Interests in Other Entities – Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101	Presentation of Financial Statements – Disclosure Initiative	1 January 2016

1. Basis of Preparation (continued)
1.1 MFRS, Amendments to MFRSs and IC Interpretation Issued But Not Yet Effective (continued)

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual period beginning on or after
Amendments to MFRS 116	Property, Plant and Equipment – Clarification of Acceptable Methods of Depreciation	1 January 2016
Amendments to MFRS 116	Property, Plant and Equipment – Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 119	Employee Benefits (Annual Improvements 2012-2014 Cycle)	1 January 2016
Amendments to MFRS 127	Separate Financial Statements – Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 128	Investments in Associates – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 128	Investments in Associates – Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 134	Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)	1 January 2016
Amendments to MFRS 138	Intangible Assets – Classification of Acceptable methods of Amortisation	1 January 2016
Amendments to MFRS 141	Agriculture – Agriculture: Bearer Plants	1 January 2016
MFRS 14	Regulatory Deferral Accounts	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments (2014)	1 January 2018

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2014 was not subject to any qualification.

3. Seasonal or Cyclical Factors

The Group's level of operations for the quarter was impacted by the decrease in consumer consumption in the local market due to weaker consumer sentiment after the implementation of GST on 1st April 2015.

4. Unusual Items affecting the assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows during the current financial period under review.

5. Changes in Estimates

There were no significant changes in estimates that have had a material effect in the current financial period under review.

6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current financial period under review.

Share Buyback

During the period, there was no purchase of shares by the Company.

All shares bought back in 1999 were retained as treasury shares for the current quarter and financial year-to-date.

Call and Put Option

In conjunction with the investment undertaken in Luen Heng F&B Sdn. Bhd. ("LHFB") on 26 November 2008, Carlsberg Brewery Malaysia Berhad ("CBMB") entered into a call and put option with LHFB's corporate shareholder, Luen Heng Agency Sdn. Bhd. ("LHA"), allowing CBMB to acquire the remaining interest held by LHA or LHA to sell its interest in LHFB to CBMB, at any time after three years of the date of acquisition.

The consideration was to be based on LHFB's fair value which was to be determined by an international firm of accountants. Both parties have not exercised their rights during the year.

This call and put option no longer applies as a result of the sale of LHFB as announced on 15 May 2015.

7. Disposal Group Held For Sale

On 15 May 2015, the Group announced that it agreed to the sale of its 70% shareholding in its subsidiary Luen Heng F&B Sdn. Bhd. (“LHFB”) to Capriwood Sdn. Bhd. for a total consideration of RM19.5 million. The disposal of its investment in LHFB was completed on 3 August 2015. At 30 June 2015, the assets and liabilities of the disposal group are as follows:

Assets classified as held for sale	<u>RM'000</u>
Property, plant & equipment	1,637
Other intangible asset	5,000
Deferred tax assets	783
Inventories	20,278
Receivables, deposits and prepayments	36,313
Current tax assets	804
Cash & cash equivalents	12,732
	<u>77,547</u>
Impairment loss	(12,451)
	<u>65,096</u>
Less: Liabilities classified as held for sale	
Payables and accruals	(31,904)
Net assets	<u>33,192</u>
Less: Non-controlling interests	(13,692)
Net Realisable Value	<u>19,500</u>

8. Dividends Paid

The amount of dividends paid during the financial period ended 30 June 2015 was as follows:-

In respect of the financial year ended 31 December 2014 as reported in the directors’ report of the year:

	<u>RM'000</u>
Final and special single tier dividend of 66.0 sen per RM0.50 share, paid on 20 May 2015	201,794
	<u>201,794</u>

9. Operating Segments

The Group concluded that the operating segments determined in accordance with MFRS/ IFRS 8 are the same as the geographical segments as previously adopted.

Segment assets and liabilities are not included in the internal management reports nor provided regularly to the Group's Managing Director. Hence no disclosure is made.

Quarter Ended 30 June 2015	Malaysia	Singapore	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
Geographical Segments:				
Total external revenue	270,539	131,788	-	402,327
Inter segment revenue	17,280	-	(17,280)	-
Total revenue	287,819	131,788	(17,280)	402,327
Profit from operations	19,660	23,696	(127)	43,229

Quarter Ended 30 June 2014	Malaysia	Singapore	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
Geographical Segments:				
Total external revenue	256,348	99,673	-	356,021
Inter segment revenue	12,893	-	(12,893)	-
Total revenue	269,241	99,673	(12,893)	356,021
Profit from operations	35,890	15,268	111	51,269

6 Months Ended 30 June 2015	Malaysia	Singapore	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
Geographical Segments:				
Total external revenue	590,307	241,474	-	831,781
Inter segment revenue	33,705	-	(33,705)	-
Total revenue	624,012	241,474	(33,705)	831,781
Profit from operations	69,173	33,683	335	103,191

6 Months Ended 30 June 2014	Malaysia	Singapore	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
Geographical Segments:				
Total external revenue	623,039	178,918	-	801,957
Inter segment revenue	26,001	-	(26,001)	-
Total revenue	649,040	178,918	(26,001)	801,957
Profit from operations	94,113	24,925	146	119,184

10. Material Contracts

No new material contracts were concluded during current financial period under review.

11. Property, Plant and Equipment

There were no changes to the valuation of property, plant and equipment since the previous audited financial statements.

12. Subsequent Events

The Board is not aware of any material event or transaction during the current financial period under review to the date of this announcement, which affects substantially the results of the operation of the Group.

13. Changes in Contingent Liabilities and Contingent Assets

On 23 September 2014, the Board of Directors of the Company has announced to the Bursa Malaysia that the Company has on 19 September 2014 received two bills of demand both dated 17 September 2014 from the Selangor State Director of Royal Malaysian Customs (“State Customs”) for the following:

- (i) Excise duty amounting to RM35,698,219.81 for period of 1 July 2011 to 14 January 2014;
- (ii) Sales tax amounting to RM13,763,381.02 and penalty amounting to RM6,881,690.56 for period of 1 July 2011 to 14 January 2014.

The Company does not admit liability on the demands made by the State Customs, has taken advise on that matter and is having ongoing discussion with the State Customs.

As a result, no provision has been recognised and no material changes in contingent liabilities or contingent assets for the period ended 30 June 2015 and this will be reassessed during the next quarter ended 30 September 2015.

14. Capital Commitments

Capital commitments for property, plant and equipment and intangibles assets not provided for in the financial statements as at 30 June 2015 are as follows:

	<u>RM'000</u>
Approved and contracted for	4,887
Approved but not contracted for	39,678
	<u>44,565</u>

15. Financial Instruments

Derivatives

The outstanding derivative as at the end of the current period is as follows:

Aluminium Hedging Contract	Contract Value (RM'000)	Fair Value (RM'000)	Difference (RM'000)
- Less than 1 year	20,831	19,564	(1,267)
- 2 to 5 years	-	-	-
	20,831	19,564	(1,267)

16. Holding Company

The Directors regard Carlsberg Breweries A/S, a company incorporated in Denmark, as the holding company.

17. Significant Related Party Transactions

**6 months
ended
30 June 2015
RM' million**

Transactions with:

a) Holding company:

Carlsberg Breweries A/S	
Reimbursement of expenses	1.6
Royalties payable	14.6
Purchase of materials and services	2.4

b) Related companies:

i) Danish Malting Group A/S	
Purchases of materials and products	6.9
ii) Carlsberg Vietnam Breweries	
Purchase of materials and products	11.5
iii) Carlsberg Group Procurement AG	
Purchases of materials and products	2.6
Purchases of services	0.1
iv) CB Distribution Co Ltd	
Sale of goods and services	2.4

17. Significant Related Party Transactions (continued)

	6 months ended 30 June 2015 RM' million
Transactions with:	
b) Related companies (continued):	
v) Carlsberg Hong Kong Ltd Purchase of services	11.7
vi) Carlsberg Brewery Hong Kong Purchase of services	0.8
vii) Carlsberg Distributors Taiwan Ltd Sale of goods and services	0.7

18. Review of Performance
Current Quarter Performance

For the second quarter ended 30 June 2015, the Group's revenue increased by 13.0% to RM402.3 million compared to the same quarter last year. The underlying profit from operations improved by 8.6% to RM55.7 million before the impairment loss relating to the disposal of a subsidiary company as disclosed in Note 7. After adjusting for the impairment loss, profit from operations declined by 15.7% to RM43.2 million.

Revenue from the Malaysian operations increased by 5.5% to RM270.5 million. This was driven by higher sales volume. The underlying profit from operations declined by 10.5% to RM32.1 million due to one-off restructuring costs and higher costs of raw materials as a result of a depreciating ringgit. After adjusting for the impairment loss, profit from operations reduced by 45.2% to RM19.7 million.

In Singapore, the operations continued to gain traction. Revenue grew by 32.2% to RM131.8 million whilst operating profit improved by RM8.4 million to RM23.7 million. This was attributed to higher sales volume, costs control as well as additional revenue and profit contribution from the Maybev acquisition.

Year-to-date Performance

For the first half, the Group recorded revenue of RM831.8 million, 3.7% higher than last year. The underlying profit from operations declined by 3.0% to RM115.6 million as compared to the corresponding period last year before adjusting for the mentioned impairment loss.

18. Review of Performance (continued)

Revenue from the Malaysia operations declined by 5.3% to RM590.3 million due to lower sales volume as a result of pre-price increase trade stock loading in December last year. Underlying operating profit declined by 13.3% to RM81.6 million before the mentioned impairment loss. The lower revenue, one-off restructuring costs as well as impact of depreciating ringgit was offset by lower operating expenses driven by cost efficiency programs.

In Singapore, revenue grew by 35.0% to RM241.5 million whilst operating profit improved by 35.1% to RM33.7 million. This was attributed to higher sales volume, better price/mix and additional profit contribution from the Maybev acquisition.

19. Variation of Result against the Preceding Quarter

The Group's revenue declined by 6.3% or RM27.1 million against preceding quarter. This was mainly due to the usual phasing of demand as the Chinese New Year was in the preceding quarter.

The Group's profit after tax declined by RM16.7 million to RM32.1 million mainly due to lower revenue, impairment loss on disposal of a subsidiary company and restructuring expenses.

20. Prospects

The 2015 market conditions are expected to remain challenging. Nevertheless, the Group is confident to meet the challenges and deliver satisfactory performance.

21. Profit Forecast

The Group did not issue any profit forecast or profit guarantee in respect of the financial period under review.

22. Taxation

	6 months ended 30 June	
	2015 RM'000	2014 RM'000
<u>Taxation</u>		
- Malaysia	20,678	23,415
- Outside Malaysia	6,012	4,486
	26,690	27,901
<u>Deferred tax</u>		
- Malaysia	-	-
- Outside Malaysia	43	-
Tax expense	26,733	27,901

The effective tax rate differs from the statutory tax rate of Malaysia mainly due to the consolidation of financial results from the Singapore business, which has a lower statutory tax rate.

23. Realised and Unrealised Profits/ Losses

	Group as at 30 June 2015 RM'000	Group as at 31 December 2014 RM'000
Total retained earnings of the Company and its subsidiaries :		
- Realised	410,058	528,534
- Unrealised	(15,772)	(14,296)
Total retained earnings of an associate :		
- Realised	51,595	37,213
- Unrealised	(14,179)	(8,568)
Less : Consolidation adjustments	(389,468)	(377,790)
	42,234	165,093

24. Corporate Proposals

There were no corporate proposals announced but not completed at the date of this announcement.

25. Borrowing and Debt Securities

Group borrowings and debt securities are as follows:

Short term – Unsecured loans	As at 30 June 2015 RM'000
Revolving credit	108,698
Overdraft	20,997
Total short term loans	129,695

26. Material Litigation

There was no material litigation action since the last annual balance sheet date to the date of this report.

27. Dividends

The Board of Directors has declared a single tier interim dividend of 5 sen per RM0.50 share for the financial year ending 31 December 2015 (2014: single tier interim dividend 5 sen per RM0.50 share).

Total amount payable is RM15.3 million (2014: RM15.3 million).

28. Earnings Per Share
Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares held by the Company:

	6 months ended 30 June 2015	6 months ended 30 June 2014
Net Profit attributable to shareholders (RM'000)	78,935	92,373
Weighted average number of ordinary shares in issue ('000)	305,748	305,748
Basic earnings per share (sen)	25.82	30.21

Diluted earnings per share

Not applicable.

29. Notes to the Statement of Comprehensive Income

	6 months ended 30 June 2015 RM'000	6 months ended 30 June 2014 RM'000
Depreciation and amortisation	(13,946)	(12,963)
Property, plant and equipment write-off	-	(26)
Gain on disposal of property, plant and equipments	145	811
Net impairment recoverable on receivables	914	334
(Write-off)/ write back of inventories	(1,493)	943
Allowance for inventories obsolescence	(3,341)	(392)
Net foreign exchange gain	3,175	15
Impairment loss on disposal of subsidiary	(12,451)	-

Other than the above and disclosed in the Statement of Comprehensive Income, there were no gain or loss on disposal of quoted or unquoted investment for the current quarter.

30. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on **25 August 2015**.