

# WILLOWGLEN MSC BERHAD (Company No. 462648-V)

## CONDENSED CONSOLIDATED INCOME STATEMENTS

For the period ended 31 March 2013

	3 months ended 31 March		3 months ended 31 March	
	Unaudited 2013 RM'000	Unaudited 2012 RM'000	Unaudited 2013 RM'000	Unaudited 2012 RM'000
Revenue	21,761	16,997	21,761	16,997
Operating expenses	(17,553)	(14,446)	(17,553)	(14,446)
Other operating income	151	193	151	193
Profit before tax	4,359	2,744	4,359	2,744
Income tax expense	(748)	(531)	(748)	(531)
<b>Profit net of tax</b>	<b>3,611</b>	<b>2,213</b>	<b>3,611</b>	<b>2,213</b>
Other comprehensive income, net of tax:				
Fair value changes in available-for-sale financial asset	(16)	78	(16)	78
Foreign currency translation	(193)	(22)	(193)	(22)
<b>Total comprehensive income for the period</b>	<b>3,402</b>	<b>2,269</b>	<b>3,402</b>	<b>2,269</b>
Profit attributable to:				
- Owners of the parent	3,583	2,240	3,583	2,240
- Non-controlling interest	28	(27)	28	(27)
	<b>3,611</b>	<b>2,213</b>	<b>3,611</b>	<b>2,213</b>
Total comprehensive income attributable to:				
- Owners of the parent	3,374	2,303	3,374	2,303
- Non-controlling interest	28	(34)	28	(34)
	<b>3,402</b>	<b>2,269</b>	<b>3,402</b>	<b>2,269</b>
Earnings per ordinary share (sen):				
- Basic	1.47	0.92	1.47	0.92
- Diluted	N/A	N/A	N/A	N/A

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

# WILLOWGLEN MSC BERHAD (Company No. 462648-V)

## CONDENSED STATEMENTS OF FINANCIAL POSITION

As at 31 March 2013

	Unaudited 31 March 2013 RM'000	Audited 31 December 2012 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5,094	5,193
Investment properties	2,000	2,000
Investment securities	2,443	2,459
Deferred tax assets	79	78
	<u>9,616</u>	<u>9,730</u>
<b>Current assets</b>		
Inventories	1,599	1,249
Amount due from contract customers	17,443	25,940
Receivables, deposits and prepayments	21,324	16,625
Tax recoverable	32	32
Cash and bank balances	38,213	30,675
	<u>78,611</u>	<u>74,521</u>
<b>TOTAL ASSETS</b>	<b>88,227</b>	<b>84,251</b>
<b>EQUITY &amp; LIABILITIES</b>		
<b>Equity and reserves</b>		
Share capital	24,800	24,800
Treasury shares, at cost	(1,653)	(1,653)
Reserves	52,528	49,154
<b>Total equity attributable to owners of the parent</b>	<b>75,675</b>	<b>72,301</b>
Non-controlling interest	59	31
<b>Total equity</b>	<b>75,734</b>	<b>72,332</b>
<b>Non-current liabilities</b>		
Employee benefits	35	35
Provision for reinstatement cost	75	75
Deferred tax liabilities	130	130
	<u>240</u>	<u>240</u>
<b>Current liabilities</b>		
Amount due to contract customers	4,621	3,134
Payables and accruals	4,928	5,698
Tax payable	2,704	2,847
	<u>12,253</u>	<u>11,679</u>
<b>Total liabilities</b>	<b>12,493</b>	<b>11,919</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>88,227</b>	<b>84,251</b>
Net assets per share (RM)	0.31	0.30

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

## WILLOWGLEN MSC BERHAD (Company No. 462648-V)

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2013

	Share Capital RM'000	Treasury Shares RM'000	Reserves			Fair Value Reserve RM'000	Distributable Retained profits RM'000	Total RM'000	Non-controlling interest RM'000	Total RM'000
			Share premium RM'000	Merger deficit RM'000	Translation reserve RM'000					
<b>At 1 January 2013</b>	24,800	(1,653)	4,440	(7,585)	3,378	256	48,665	72,301	31	72,332
<b>Total comprehensive income</b>	-	-	-	-	(193)	(16)	3,583	3,374	28	3,402
<b>At 31 March 2013</b>	24,800	(1,653)	4,440	(7,585)	3,185	240	52,248	75,675	59	75,734
<b>At 1 January 2012</b>	24,800	(1,653)	4,440	(7,585)	2,484	209	39,374	62,069	189	62,258
<b>Total comprehensive income</b>	-	-	-	-	(15)	78	2,240	2,303	(34)	2,269
<b>At 31 March 2012</b>	24,800	(1,653)	4,440	(7,585)	2,469	287	41,614	64,372	155	64,527

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

# WILLOWGLEN MSC BERHAD (Company No. 462648-V)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2013

	Unaudited 31 March 2013 RM'000	Unaudited 31 March 2012 RM'000
<b>Operating activities</b>		
Profit before tax	4,359	2,744
Adjustments for non-cash items	31	(9)
<b>Operating cash flows before changes in working capital</b>	4,390	2,735
Changes in working capital:		
Net changes in inventories	(350)	80
Net changes in contract customers	9,983	2,387
Net changes in receivables	(4,698)	(1,843)
Net changes in payables	(770)	1,053
<b>Cash flows from operations</b>	8,555	4,412
Interest received	127	165
Tax paid	(890)	(557)
<b>Net cash flows from operating activities</b>	7,792	4,020
<b>Investing activities</b>		
Purchase of property, plant and equipment	(70)	(102)
<b>Net cash flows used in investing activities</b>	(70)	(102)
<b>Financing activities</b>		
Fixed term deposits held as security value	(19)	(31)
<b>Net cash flows used in financing activities</b>	(19)	(31)
<b>Net change in cash and cash equivalents</b>	7,703	3,887
<b>Cash and cash equivalents at 1 January</b>	28,593	33,103
Effect of exchange rate changes on cash and cash equivalents	(184)	(27)
<b>Cash and cash equivalents at 31 March</b>	36,112	36,963
Analysis of cash and cash equivalents:		
Fixed deposits placed with licensed banks	26,193	12,907
Short term investments	5,498	9,084
Cash and bank balances	6,522	17,018
	38,213	39,009
Less: Fixed deposits held as security value	(2,101)	(2,046)
	36,112	36,963

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

# **WILLOWGLEN MSC BERHAD** (Company No. 462648-V)

## **NOTES TO THE INTERIM FINANCIAL REPORT**

### **A1 Basis of preparation**

The interim financial report is unaudited and has been prepared in compliance with the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2012.

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 year ended 31 December 2012 except for the adoption of the New MFRSs, Revised MFRSs, Amendments/Improvements to MFRSs, New IC Interpretations and Amendments to IC Interpretations that are applicable to the Group effective 1 January 2013. The adoption of these MFRSs and IC Interpretations does not have any material impact on the Group’s results and financial position.

### **A2 Audit report on preceding annual financial statement**

The auditor’s report of the Group’s annual audited financial statements for the year ended 31 December 2012 was not subject to any qualification.

### **A3 Seasonal or cyclical factors**

The Group’s operations were not materially affected by any seasonal or cyclical changes.

### **A4 Changes in estimates of amounts reported in prior interim reports or prior financial years which have a material effect in the current quarter**

There were no changes in estimates of amounts reported in the prior interim reports or changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

### **A5 Issuance, cancellations, repurchases, resale and repayments of debt and equity securities**

There was no share buyback during the current quarter. As at the end of the current quarter, a total of 4,593,400 shares were held as treasury shares.

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

### **A6 Dividends paid**

There were no dividends paid during the current quarter ended 31 March 2013.

The proposed first and final tax exempt dividend of 20% and a special tax exempt dividend of 10% per share for the financial year ended 31 December 2012 has been approved by the shareholders’ at the Fifteenth Annual General Meeting. The entitlement and payment dates for the total dividend of 30% tax exempt (2011: 25% tax exempt) will be on 13 June 2013 and 28 June 2013 respectively.

# WILLOWGLEN MSC BERHAD (Company No. 462648-V)

## A7 Segmental reporting

The Group operates in three (3) principal geographical areas for the sales, implementation and maintenance of computer based control systems.

Current Year To Date	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Eliminations RM'000	Consolidated RM'000
<b>Revenue:</b>					
External customers	2,964	18,510	287	-	21,761
Inter-segment	215	186	-	(401)	-
Total revenue	3,179	18,696	287	(401)	21,761
<b>Results:</b>					
Interest income	147	21	-	(41)	127
Depreciation	71	83	3	-	157
Income tax expense	17	731	-	-	748
Segment profit/(loss)	(380)	4,683	56	-	4,359

## A8 Valuation of property, plant and equipment

No revaluation of property, plant and equipment has been done since the preceding financial year ended 31 December 2012.

## A9 Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period.

## A10 Changes in composition of the Group

There were no changes in the composition of the Group during the current financial year to date.

## A11 Changes in contingent liabilities or contingent assets

There were no contingent assets arising since the last audited financial statements for the year ended 31 December 2012.

## A12 Capital commitments

There were no material capital commitments as at 31 March 2013.

# WILLOWGLEN MSC BERHAD (Company No. 462648-V)

## ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

### B1 Review of performance

Revenue for the current quarter increased by 28.03% to RM21.76 million from RM17.00 million recorded in 2012. Profit before tax increased to RM4.36 million compared to RM2.74 million recorded in the preceding year's corresponding quarter.

The higher turnover and profit before tax is mainly contributed by the Singapore operations. Turnover from the Malaysia and Indonesia operations has increased as well compared to the preceding year's corresponding quarter.

### B2 Material change in results against preceding quarter

	Current Quarter 31/03/2013 RM'000	Preceding Quarter 31/12/2012 RM'000
Revenue	21,761	27,207
Profit before tax	4,359	7,053

For the current quarter, the Group recorded lower revenue of RM21.76 million compared to RM27.21 million recorded in the preceding quarter. The profit before tax reduced to RM4.36 million from RM7.05 million recorded in the last quarter. The decrease in profit before tax is mainly due to lower revenue and margins.

### B3 Current year prospects

Under the Government's Greater Kuala Lumpur/Klang Valley programme, there are some key areas that will lead to the increase in demand for SCADA and security systems applications such as the MY Rapid Transit and Sewerage Non-River.

Whereas in Singapore, their Government's initiative in population growth will lead to the need for construction of new infrastructure and facilities. This will provide opportunities for growth and demand for SCADA and security systems.

The Group will put in efforts to capture these markets. With the current projects at hand, the financial results of the Group for the current financial year is expected to be good.

### B4 Variance of actual profit from forecast profit and shortfall of profit guarantee

Not applicable.

# WILLOWGLEN MSC BERHAD (Company No. 462648-V)

## B5 Income tax expense

	3 months ended 31/03/2013 RM'000	3 months ended 31/03/2013 RM'000
Current Taxation	748	748
Adjustment for under/(over) provisions in previous years	-	-
Transfer to/(from) deferred taxation	-	-
	748	748

The tax charge mostly relates to tax on profits of an overseas subsidiary which is subject to a lower tax rate.

## B6 Status of corporate proposal announced

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

## B7 Group borrowings and debt securities

There were no group borrowings and debt securities outstanding as at 31 March 2013.

## B8 Changes in Material Litigation

The Group does not have any outstanding material litigation as at the date of this announcement.

## B9 Dividends

No dividend was declared for the current quarter.

The proposed first and final tax exempt dividend of 20% and a special tax exempt dividend of 10% per share for the financial year ended 31 December 2012 has been approved by the shareholders' at the Fifteenth Annual General Meeting. The entitlement and payment dates for the total dividend of 30% tax exempt (2011: 25% tax exempt) will be on 13 June 2013 and 28 June 2013 respectively.



**WILLOWGLEN MSC BERHAD** (Company No. 462648-V)**B10 Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share is based on the net profit attributable to shareholders divided by the weighted average number of ordinary shares outstanding during the period, calculated as follows:-

	<b>3 months ended 31 March</b>		<b>3 months ended 31 March</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
Net profit attributable to equity holders of the Company (RM'000)	3,583	2,240	3,583	2,240
Weighted average number of ordinary shares in issue during the period ('000)	243,407	243,407	243,407	243,407
Basic earnings per ordinary share (sen)	1.47	0.92	1.47	0.92
Diluted earnings per ordinary share (sen)	N/A	N/A	N/A	N/A

N/A: Not applicable, the Group does not have in issue any financial instrument or other contract that may entitle its shareholders to ordinary shares, and therefore dilute its basic earnings per share.

**B11 Operating profit**

Operating profit has been arrived at after charging:-

	<b>3 months ended 31/03/2013 RM'000</b>		<b>3 months ended 31/03/2013 RM'000</b>	
Depreciation of property, plant and equipment	157		157	
Provision for and write off of inventories	-		-	
Foreign exchange loss	33		33	
Provision for and write off of receivables	-		-	
Interest expense	N/A		N/A	
Impairment of assets	N/A		N/A	
Exceptional items	N/A		N/A	
And crediting:-				
Interest income	127		127	
Other income including investment income	24		24	
Gain or loss on disposal of quoted or unquoted investments or properties	N/A		N/A	
Gain or loss on derivatives	N/A		N/A	

**WILLOWGLEN MSC BERHAD** (Company No. 462648-V)**B12 Supplementary Information Disclosed Pursuant to Bursa Malaysia Securities Berhad Listing Requirements**

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

	<b>As at 31 March 2013 RM'000</b>	<b>As at 31 March 2012 RM'000</b>
Total retained profits of the Group and its subsidiaries		
- Realised	51,990	41,395
- Unrealised	301	254
Less: Consolidation adjustments	(43)	(35)
Total retained profits	52,248	41,614

By order of the Board  
**WILLOWGLEN MSC BERHAD**

**KHOR CHAI MOI (PUAN SRI)**  
Managing Director