

# **BRITE-TECH BERHAD**

Company no. 550212-U  
(Incorporated in Malaysia)

## **UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2014**

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**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE 1ST QUARTER ENDED 31 MARCH 2014**

|   | <----- Individual Quarter ----->                                |   | <----- Cumulative Quarters ----->                              |  |
|---|---|---|--|--|
|   | Current<br>Quarter Ended<br>31.03.2014<br>(Unaudited)<br>RM'000 | Preceding Year<br>Corresponding<br>Quarter Ended<br>31.03.2013<br>(Unaudited)<br>RM'000 | Current<br>Year-To-Date<br>31.03.2014<br>(Unaudited)<br>RM'000 | Preceding<br>Year-To-Date<br>31.03.2013<br>(Unaudited)<br>RM'000 |
| Revenue   | 5,428   | 5,188   | 5,428  | 5,188  |
| Operating expenses  | (4,389)   | (4,256)   | (4,389)  | (4,256)  |
| Other operating income  | 197   | 43  | 197  | 43   |
| <b>Profit from operating activities</b>   | <b>1,236</b>  | <b>975</b>  | <b>1,236</b>   | <b>975</b>   |
| Impairment loss of goodwill   | -   | -   | -  | -  |
| Finance income  | 102   | 86  | 102  | 86   |
| Finance costs   | (16)  | (9)   | (16)   | (9)  |
| <b>Profit before tax</b>  | <b>1,322</b>  | <b>1,052</b>  | <b>1,322</b>   | <b>1,052</b>   |
| Taxation  | (352)   | (270)   | (352)  | (270)  |
| Profit for the period   | 970   | 782   | 970  | 782  |
| Other comprehensive income for the period, net of tax                           | -   | -   | -  | -  |
| <b>Total comprehensive income for the period</b>                                | <b>970</b>  | <b>782</b>  | <b>970</b>   | <b>782</b>   |
| <b>Total comprehensive income for the period</b>                                |   |   |  |  |
| Owners of the Company   | 979   | 769   | 979  | 769  |
| Non-controlling interests   | (9)   | 13  | (9)  | 13   |
|   | <u>970</u>  | <u>782</u>  | <u>970</u>   | <u>782</u>   |
| Number of shares in issue ('000)  | 252,000   | 252,000   | 252,000  | 252,000  |
| Weighted average number of shares ('000)  | 252,000   | 252,000   | 252,000  | 252,000  |
| <b>Earnings per ordinary share attributable to owners of the Company (sen):</b> |   |   |  |  |
| - Basic   | <u>0.39</u>   | <u>0.31</u>   | <u>0.39</u>  | <u>0.31</u>  |
| - Diluted   | <u>N/A</u>  | <u>N/A</u>  | <u>N/A</u>   | <u>N/A</u>   |

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013.)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2014**

|   | As at End of<br>Current Year<br>Quarter<br>31.03.2014<br>(Unaudited)<br>RM'000 | As at Preceding<br>Financial<br>Year End<br>31.12.2013<br>(Audited)<br>RM'000 |
|---|--|---|
| <b>ASSETS</b>   |  |   |
| <b>Non-Current Assets</b>                                       |  |   |
| Property, plant and equipment                                   | 22,141   | 22,286  |
| Investment properties   | 3,240  | 3,240   |
| Other investments   | -  | 152   |
| Goodwill on consolidation                                       | 1,568  | 1,568   |
| <b>Total Non-Current Assets</b>                                 | <b>26,949</b>  | <b>27,246</b>   |
| <b>Current Assets</b>   |  |   |
| Inventories   | 1,517  | 1,525   |
| Trade and other receivables                                     | 7,291  | 7,743   |
| Tax recoverable   | 30   | 39  |
| Short-term investments  | 11,416   | 7,973   |
| Fixed deposits with licensed banks                              | 1,508  | 3,498   |
| Cash and bank balances  | 1,810  | 1,714   |
| <b>Total Current Assets</b>                                     | <b>23,572</b>  | <b>22,492</b>   |
| <b>TOTAL ASSETS</b>   | <b>50,521</b>  | <b>49,738</b>   |
| <b>EQUITY AND LIABILITIES</b>                                   |  |   |
| <b>Equity attributable to owners of the Company</b>             |  |   |
| Share capital   | 25,200   | 25,200  |
| Reserves  | 18,204   | 17,225  |
|   | 43,404   | 42,425  |
| Non-controlling interests                                       | 672  | 681   |
| <b>Total Equity</b>   | <b>44,076</b>  | <b>43,106</b>   |
| <b>Non-Current Liabilities</b>                                  |  |   |
| Long term borrowings (secured)                                  | 640  | 644   |
| Deferred taxation   | 1,914  | 1,914   |
|   | 2,554  | 2,558   |
| <b>Current Liabilities</b>                                      |  |   |
| Trade and other payables  | 3,232  | 3,464   |
| Amount due to directors   | 123  | 110   |
| Bank overdraft  | 95   | 97  |
| Short term borrowings (secured)                                 | 139  | 179   |
| Provision for taxation  | 302  | 224   |
|   | 3,891  | 4,074   |
| <b>Total Liabilities</b>  | <b>6,445</b>   | <b>6,632</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                             | <b>50,521</b>  | <b>49,738</b>   |
| Net assets per share attributable to owners of the Company (RM) | 0.17   | 0.17  |

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013.)

**BRITE-TECH BERHAD (550212-U)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 1ST QUARTER ENDED 31 MARCH 2014**

|   | <----- Attributable to owners of the Company -----> |                      |                    |                            |                           |               |
|---|---|----------------------|--------------------|----------------------------|---------------------------|---------------|
|   | <---- Non-distributable---->                        |                      | <-Distributable -> |                            |                           |               |
|   | Share Capital                                       | Revaluation reserves | Retained Profits   | Total Shareholders' Equity | Non-controlling Interests | Total Equity  |
|   | RM'000  | RM'000               | RM'000             | RM'000                     | RM'000                    | RM'000        |
| <b><u>3 Months Ended 31 March 2014</u></b>          |   |                      |                    |                            |                           |               |
| <b><u>(Unaudited)</u></b>                           |   |                      |                    |                            |                           |               |
| Balance as at 1 January 2014                        | 25,200  | 7,061                | 10,164             | 42,425                     | 681                       | 43,106        |
| Total comprehensive income for the financial period | -   | -                    | 979                | 979                        | (9)                       | 970           |
| Balance as at 31 March 2014                         | <u>25,200</u>                                       | <u>7,061</u>         | <u>11,143</u>      | <u>43,404</u>              | <u>672</u>                | <u>44,076</u> |
| <b><u>3 Months Ended 31 March 2013</u></b>          |   |                      |                    |                            |                           |               |
| <b><u>(Unaudited)</u></b>                           |   |                      |                    |                            |                           |               |
| Balance as at 1 January 2013                        | 25,200  | 7,334                | 8,325              | 40,859                     | 668                       | 41,527        |
| Total comprehensive income for the financial period | -   | -                    | 769                | 769                        | 13                        | 782           |
| Balance as at 31 March 2013                         | <u>25,200</u>                                       | <u>7,334</u>         | <u>9,094</u>       | <u>41,628</u>              | <u>681</u>                | <u>42,309</u> |

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013.)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE 1ST QUARTER ENDED 31 MARCH 2014

|  | 3 Months<br>Period Ended<br>31.03.2014<br>(Unaudited)<br>RM'000 | 3 Months<br>Corresponding<br>Period Ended<br>31.03.2013<br>(Unaudited)<br>RM'000 |
|--|---|--|
| <b>Cash flows from operating activities</b>              |   |  |
| Profit before taxation                                   | 1,322   | 1,052  |
| Adjustments for:   |   |  |
| Depreciation on property, plant and equipment            | 191   | 196  |
| Loss on disposal of property, plant and equipment        | -   | 1  |
| Property, plant and equipment written off                | 11  | -  |
| Inventory written off                                    | -   | 27   |
| Finance costs  | 16  | 9  |
| Finance income   | (102)   | (86)   |
| Impairment loss on trade receivables                     | 2   | 8  |
| Gain on disposal of investment                           | (148)   | -  |
| Operating profit before working capital changes          | <u>1,292</u>  | <u>1,207</u>   |
| Changes in working capital:                              |   |  |
| Inventories  | 8   | (244)  |
| Trade & other receivables                                | 450   | 503  |
| Trade & other payables                                   | (219)   | (15)   |
| Cash from operations                                     | <u>1,531</u>  | <u>1,451</u>   |
| Interest paid  | (16)  | (9)  |
| Income tax paid  | (265)   | (244)  |
| <b>Net cash from operating activities</b>                | <u>1,250</u>  | <u>1,198</u>   |
| <b>Cash flows from investing activities</b>              |   |  |
| Interest received  | 102   | 86   |
| Purchase of property, plant and equipment                | (57)  | (234)  |
| Proceeds from disposal of property, plant and equipment  | -   | 18   |
| Proceeds from disposal of investment                     | 300   | -  |
| <b>Net cash from / (used in) investing activities</b>    | <u>345</u>  | <u>(130)</u>   |
| <b>Cash flows from financing activities</b>              |   |  |
| Proceeds from hire purchase                              | -   | 78   |
| Repayments of bank borrowings                            | (44)  | (25)   |
| <b>Net cash (used in) / from financing activities</b>    | <u>(44)</u>   | <u>53</u>  |
| <b>Net changes in cash and cash equivalents</b>          | 1,551   | 1,121  |
| <b>Cash and cash equivalent at beginning of period</b>   | <u>13,088</u>   | <u>13,312</u>  |
| <b>Cash and cash equivalent at end of period</b>         | <u>14,639</u>   | <u>14,433</u>  |
| <b>Cash and cash equivalents comprise the following:</b> |   |  |
| Short-term investments                                   | 11,416  | 5,465  |
| Fixed deposits with licensed banks                       | 1,508   | 7,015  |
| Cash and bank balances                                   | 1,810   | 1,953  |
| Bank overdraft   | (95)  | -  |
| <b>Cash and cash equivalents at end of the period</b>    | <u>14,639</u>   | <u>14,433</u>  |

**A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS134")**

**A1 Basis of preparation**

The unaudited interim financial statements for the 1st quarter ended 31 March 2014 have been prepared under the historical cost convention except for financial instruments which are stated at fair values in accordance to Malaysian Financial Reporting Standards MFRS139 *Financial Instruments: Recognition and Measurement* and the retirement benefit obligations in accordance with MFRS 119 *Employee Benefits*.

The unaudited interim financial statements have been prepared in accordance with MFRS134 Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The unaudited interim financial statements should be read in conjunction with the audited financial statement for the financial year ended 31 December 2013. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2013.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2013, except for the adoption of the following MFRSs, IC interpretation and Amendments to MFRSs during the current financial period:

|                        |  |
|------------------------|--|
| Amendments to MFRS 10  | Consolidated Financial Statements : Investment Entities                        |
| Amendments to MFRS 12  | Disclosure of Interests in Other Entities : Investment Entities                |
| Amendments to MFRS 127 | Separate Financial Statements : Investment Entities                            |
| Amendments to MFRS132  | Disclosures - Offsetting Financial Assets and Financial Liabilities            |
| Amendments to MFRS136  | Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets |
| Amendments to MFRS139  | Novation of Derivatives and Continuation of Hedge Accounting                   |
| IC Interpretation 21   | Levies   |

The adoption of the above pronouncements did not have any financial impact to the Group.

As at the date of authorisation of the Condensed Report, the following Standards were issued but not yet effective and have not been adopted by the Group:

To be announced by Malaysian Accounting Standards Board ("MASB")

|                      |  |
|----------------------|--|
| MFRS 9               | Financial Instruments (IFRS 9 issued by IASB in November 2009) |
| MFRS 9               | Financial Instruments (IFRS 9 issued by IASB in October 2010)  |
| Amendments to MFRS 9 | Mandatory Effective Date of MFRS 9 and Transition Disclosures  |

Effective for financial periods beginning on or after 1 July 2014

|   |   |
|---|---|
| Amendments to MFRS119                         | Defined Benefit Plans: Employee Contributions |
| Annual improvements to MFRSs 2010 -2012 Cycle |   |
| Annual improvements to MFRSs 2011 -2013 Cycle |   |

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application.

**A2 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the audited annual financial statements for the year ended 31 December 2013 was not qualified.

**A3 Comments About Seasonal or Cyclical Factors**

The Group's principal business is not significantly affected by seasonality or cyclicity factors during the current quarter under review.

**A4 Unusual Items Affecting Interim Financial Report**

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

**A5 Dividends Paid**

There was no dividend paid nor declared for the current quarter under review.

**BRITE-TECH BERHAD (550212-U)**  
**(Incorporated in Malaysia)**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE 1ST QUARTER ENDED 31 MARCH 2014**

**A6 Material Changes in Estimates Used**

There were no significant changes in the nature and amount of estimates used in prior interim reporting period or prior financial years that have a material effect in the current quarter under review.

**A7 Debt and Equity Securities**

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter under review.

**A8 Segmental Information**

Segment revenue and segment results for the financial period ended 31 March 2014 by the respective operating segments are as follows:

| <u>Financial Period Ended 31.03.2014</u>     | Environmental<br>products and<br>services<br>RM'000 | System<br>equipment and<br>ancillary<br>products<br>RM'000 | Investments<br>RM'000 | Inter-segment<br>Eliminations<br>RM'000 | Group<br>RM'000 |
|--|---|--|-----------------------|---|-----------------|
| <b>REVENUE</b>                               |   |  |                       |   |                 |
| External revenue                             | 4,252   | 1,176  | -                     | -                                       | 5,428           |
| Inter-segment revenue                        | 186   | 1  | 302                   | (489)                                   | -               |
| Total revenue                                | <u>4,438</u>  | <u>1,177</u>   | <u>302</u>            | <u>(489)</u>                            | <u>5,428</u>    |
| <b>RESULT</b>                                |   |  |                       |   |                 |
| Segment results (external)                   | 782   | 352  | 102                   | -                                       | 1,236           |
| Finance income                               | 55  | 6  | 41                    | -                                       | 102             |
| Finance costs                                | (16)  | -  | -                     | -                                       | (16)            |
| Profit/(loss) before taxation                | <u>821</u>  | <u>358</u>   | <u>143</u>            | <u>-</u>                                | <u>1,322</u>    |
| Taxation                                     |   |  |                       |   | (352)           |
| Total comprehensive income for the period    |   |  |                       |   | <u>970</u>      |
| Non-controlling interests                    |   |  |                       |   | 9               |
| Profit attributable to Owners of the Company |   |  |                       |   | <u>979</u>      |

| <u>Financial Period Ended 31.03.2013</u>     | Environmental<br>products and<br>services<br>RM'000 | System<br>equipment and<br>ancillary<br>products<br>RM'000 | Investments<br>RM'000 | Inter-segment<br>Eliminations<br>RM'000 | Group<br>RM'000 |
|--|---|--|-----------------------|---|-----------------|
| <b>REVENUE</b>                               |   |  |                       |   |                 |
| External revenue                             | 4,169   | 1,019  | -                     | -                                       | 5,188           |
| Inter-segment revenue                        | 215   | 1  | 302                   | (518)                                   | -               |
| Total revenue                                | <u>4,384</u>  | <u>1,020</u>   | <u>302</u>            | <u>(518)</u>                            | <u>5,188</u>    |
| <b>RESULT</b>                                |   |  |                       |   |                 |
| Segment results (external)                   | 863   | 173  | (61)                  | -                                       | 975             |
| Finance income                               | 33  | 2  | 51                    | -                                       | 86              |
| Finance costs                                | (9)   | -  | -                     | -                                       | (9)             |
| Profit/(loss) before taxation                | <u>887</u>  | <u>175</u>   | <u>(10)</u>           | <u>-</u>                                | <u>1,052</u>    |
| Taxation                                     |   |  |                       |   | (270)           |
| Total comprehensive income for the period    |   |  |                       |   | <u>782</u>      |
| Non-controlling interests                    |   |  |                       |   | (13)            |
| Profit attributable to Owners of the Company |   |  |                       |   | <u>769</u>      |

**A9 Valuations of Property, Plant and Equipment**

There has been no valuation undertaken for the Group's property, plant and equipment in the current quarter under review.

**A10 Material Subsequent Event**

There were no material events subsequent to the end of the reporting date that require disclosure or adjustments to the unaudited interim financial statements.

**A11 Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current quarter under review.

**A12 Derivatives**

- (a) There were no outstanding derivatives (including financial instruments designated as hedging instruments) as at the end of the quarter ended 31 March 2014; and
- (b) The Group has not entered into a type of derivatives not disclosed in the previous financial year or any of the previous quarters under the current financial year.

**A13 Gains / Losses Arising from Fair Value Changes of Financial Liabilities**

There were no material amount of gains or losses arising from fair value changes of its financial liabilities for the current and cumulative quarter.

**A14 Changes in Contingent Liabilities or Contingent Assets**

There were no contingent liabilities or contingent assets arising since the last financial year ended on 31 December 2013.

|   | <b>31.03.2014</b><br><b>(Unaudited)</b><br><b>RM '000</b> | <b>31.12.2013</b><br><b>(Audited)</b><br><b>RM'000</b> |
|---|---|--|
| Corporate guarantees given to financial institutions for banking facilities granted to subsidiary companies | <u>14,494</u>   | <u>14,494</u>  |
|   | <u>14,494</u>   | <u>14,494</u>  |

**A15 Capital Commitments**

After having made all reasonable enquiries and save as disclosed below, as at the end of the financial year, the Board is not aware of any material commitment for capital expenditure incurred or known to be incurred by the Group that has not been provided for which, upon becoming enforceable, may have a material impact on the financial results / position of the Group:

|  | <b>31.03.2014</b><br><b>(Unaudited)</b><br><b>RM '000</b> |
|--|---|
| Capital expenditures not provided for in the financial statements in respect of purchase of two pieces of land - Approved and contracted for | <u>5,058</u>  |

The above mentioned material commitments are expected to be funded through internally-generated fund and / or bank borrowings of the Group.

**A16 Significant Related Party Transactions**

|   | <b>Current Year</b><br><b>Quarter</b><br><b>31.03.2014</b><br><b>RM'000</b> | <b>Cumulative Year</b><br><b>To Date</b><br><b>31.03.2014</b><br><b>RM'000</b> |
|---|---|--|
| The Group has the following inter companies transactions: |   |  |
| Management fees   | <u>302</u>  | <u>302</u>   |
| Rental  | <u>53</u>   | <u>53</u>  |
| Revenue   | <u>187</u>  | <u>187</u>   |



**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET**

**B1 Review of Performance for the Current Quarter and Financial Year-To-Date**

The Group's revenue for the current quarter and financial year-to-date ended 31 March 2014 showed an increase of 4.6% to RM5.428 million from RM5.188 million in the preceding corresponding year's quarter. The Group's profit before tax increased by 25.7% to RM1.322 million as against preceding corresponding year's quarter of RM1.052 million. The increase in the Group's profit is mainly due to the gain on disposal of investment and higher revenue achieved.

Environmental products and services

This segment is the main contributor for the financial period ended 31 March 2014 as it comprised 78.3% of the total revenue.

For the financial period ended 31 March 2014, the revenue in environmental products and services increased slightly by RM0.054 million or 1.2% to RM4.438 million as compared to RM4.384 million reported in the corresponding financial period ended 31 March 2013. The profit before tax for the financial period ended 31 March 2014 reduced by RM0.066 million or 7.4% to RM0.821 million as compared to RM0.887 million reported in the corresponding financial period ended 31 March 2013.

System equipment and ancillary products

This segment comprised 21.7% of the total revenue for the financial period ended 31 March 2014.

For the financial period ended 31 March 2014, the revenue in system equipment and ancillary products increased by RM0.157 million or 15.4% to RM1.177 million as compared to RM1.020 million reported in the corresponding financial period ended 31 March 2013. The profit before tax for the financial period ended 31 March 2014 increased by RM0.183 million or 104.6% to RM0.358 million as compared to RM0.175 million reported in the corresponding financial period ended 31 March 2013.

The results of the current quarter and financial year-to-date under review have not been affected by any transactions or events of a material or unusual nature.

**B2 Variation of Results Against Immediate Preceding Quarter**

|                   | Current Year<br>Quarter<br>31.03.2014 | Immediate<br>Preceding<br>Quarter<br>31.12.2013 | Variation |        |
|-------------------|---------------------------------------|---|-----------|--------|
|                   | RM'000                                | RM'000  | RM'000    | %      |
| Revenue           | 5,428                                 | 6,622   | (1,194)   | -18.0% |
| Profit before tax | 1,322                                 | 929   | 393       | 42.3%  |

For the current quarter under review, the Group recorded a lower revenue of RM5.428 million, representing a decrease of 18.0% from the immediate preceding quarter's revenue of RM6.622 million. The Group's profit before tax for the current quarter increased by 42.3% to RM1.322 million as compared to the preceding quarter.

**B3 Prospects**

The Group expects the year ahead to remain challenging. Barring any unforeseen circumstances, the performance of the existing business of the Group is likely to remain satisfactory for the year ahead.

**B4 Variance of Actual Profit from Forecast Profit**

Not applicable as the Group did not issue any profit forecast or profit guarantee for the current quarter under review.

**B5 Taxation**

The Group's taxation for the current quarter and financial year-to-date were as follows:

|                         | Individual Quarter |                | Cumulative Quarters |              |
|-------------------------|--------------------|----------------|---------------------|--------------|
|                         | Current Year       | Preceding Year | Current Year -To-   | Preceding    |
|                         | Quarter            | Corresponding  | Date                | Year-To-Date |
|                         | 31.03.2014         | 31.03.2013     | 31.03.2014          | 31.03.2013   |
|                         | RM'000             | RM'000         | RM'000              | RM'000       |
| Income and deferred tax |                    |                |                     |              |
| -Current                | 352                | 270            | 352                 | 270          |

The Group's effective tax rate for the current quarter was slightly higher than the statutory tax rate mainly due to the tax charges relate to profits of certain subsidiary companies which cannot be set-off against losses of other subsidiary companies and certain expenses are not deductible for tax purposes.

**B6 Additional Notes to Condensed Consolidated Statements of Comprehensive Income**

|   | Current Year<br>Quarter<br>31.03.2014<br>(Unaudited)<br>RM'000 | Current Year-To-<br>Date<br>31.03.2014<br>(Unaudited)<br>RM'000 |
|---|--|---|
| <b>Other operating income:</b>                |  |   |
| Rental income                                 | 38   | 38  |
| Bad debts recovered                           | 5  | 5   |
| Foreign exchange gain                         | 3  | 3   |
| Gain on disposal of investment                | 148  | 148   |
| Miscellaneous income                          | 3  | 3   |
| <b>Operating expenses:</b>                    |  |   |
| Depreciation on property, plant and equipment | 191  | 191   |
| Impairment loss on trade receivables          | 2  | 2   |
| Property, plant and equipment written off     | 11   | 11  |

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

**B7 Status of Corporate Proposals**

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

**B8 Borrowings**

The Group's borrowings as at the current quarter are as follows:

|                                 | Current Year<br>Quarter<br>31.03.2014<br>RM'000 |
|---------------------------------|---|
| Short term borrowings (Secured) | 234   |
| Long term borrowings (Secured)  | 640   |
| Total                           | 874   |

Bank overdraft of RM 0.095 million has been included as short term borrowings.

The Group has no unsecured borrowings in the current quarter under review.

The Group's borrowings are all denominated in Ringgit Malaysia.

**B9 Unrecognised Financial Instruments**

As at 31 March 2014, the contingent liability not recognised in the statement of financial position of the company is as follow:-

|                     | Credit facilities<br>limit<br>RM '000 | Amount<br>utilised<br>RM '000 | Net<br>fair value<br>RM '000 |
|---------------------|---------------------------------------|-------------------------------|------------------------------|
| Corporate guarantee | 14,494                                | 399                           | -                            |

The net fair value of the contingent liability is estimated to be minimal as the subsidiary companies are expected to fulfil their obligation to repay their borrowings.

**B10 Changes in Material Litigation**

There were no pending material litigation which would materially and adversely affect the financial position of the Group and the Company at the date of this announcement.

**B11 Earnings Per Share**

The basic and diluted earnings per share (EPS) for the current quarter and financial year-to-date have been calculated as follows:

|   | Individual Quarter                    |  | Cumulative Quarters                    |   |
|---|---------------------------------------|--|--|---|
|   | Current Year<br>Quarter<br>31.03.2014 | Preceding Year<br>Corresponding<br>Quarter<br>31.03.2013 | Current Year-To-<br>Date<br>31.03.2014 | Preceding<br>Year-To-Date<br>31.03.2013 |
| Profits attributable to owners of the Company<br>(RM'000) | 979                                   | 769  | 979                                    | 769                                     |
| Weighted average number of shares in issue ('000)         | 252,000                               | 252,000  | 252,000                                | 252,000                                 |
| Basic earnings per share (sen)                            | 0.39                                  | 0.31   | 0.39                                   | 0.31                                    |
| Diluted earnings per share (sen)                          | N/A                                   | N/A  | N/A                                    | N/A                                     |

The diluted EPS is not applicable as there were no potential ordinary shares in issue for the current quarter and cumulative quarter.

**B12 Dividends Payable**

- a) No dividend has been proposed for the financial period ended 31 March 2014.
- b) A final single-tier dividend on ordinary share of 0.63 sen per share (2012: 0.60 sen per share) amounting to RM1,587,600 in respect of the financial year ended 31 December 2013 was approved by the shareholders at the Company's Annual General Meeting held on 23 May 2014 and will be paid by the Company on 9 June 2014 to shareholders whose names appear in the Register of Depositors at the close of business on 30 May 2014.

**B13 Realised and Unrealised Retained Profits**

The retained profits of the Group is analysed as follows:

|   | <b>As at</b><br><b>31.03.2014</b><br><b>(Unaudited)</b><br><b>RM'000</b> | <b>As at</b><br><b>31.12.2013</b><br><b>(Audited)</b><br><b>RM'000</b> |
|---|--|--|
| Total retained profits of Company and its subsidiaries:   |  |  |
| - Realised  | 19,465   | 18,494   |
| - Unrealised  | 1,148  | 1,148  |
|   | <hr/> 20,613   | <hr/> 19,642   |
| Less: Consolidation adjustments                           | (9,470)  | (9,479)  |
| Total Group retained profits as per consolidated accounts | <hr/> <u>11,143</u>  | <hr/> <u>10,163</u>  |

The determination of realised and unrealised profits or losses is compiled based on Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised retained profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

**BY ORDER OF THE BOARD**

Yip Siew Yoong (MAICSA 0736484)

Leong Siew Kit (MACS 01215)

*Company Secretaries*

Kuala Lumpur

23 May 2014