



AT SYSTEMATIZATION BERHAD

**(COMPANY NO: 644800-X)
(INCORPORATED IN MALAYSIA)**

**UNAUDITED INTERIM FINANCIAL REPORT
FOR 3rd QUARTER ENDED 30 NOVEMBER 2014**



Condensed Consolidated Statements of Financial Position
For 3rd Quarter ended 30 November 2014

	(Unaudited) As At 30.11.2014 RM '000	(Audited) As At 28.2.2014 RM '000
Non-current assets		
Property, plant and equipment	25,596	24,113
Investment in unquoted share	25	-
Current assets		
Inventories	2,608	1,982
Trade receivables	6,086	5,387
Other receivables	3,959	2,007
Tax assets	239	309
Cash and cash equivalents	5,639	19,957
	<u>18,531</u>	<u>29,642</u>
TOTAL ASSETS	<u>44,152</u>	<u>53,755</u>
Equity		
Share capital	39,369	39,369
Share premium	10,967	10,967
Warrant reserve	17,126	17,126
Revaluation reserve	217	217
Accumulated losses	(32,254)	(33,467)
	<u>35,425</u>	<u>34,212</u>
Non-controlling interests	17	17
Total equity	<u>35,442</u>	<u>34,229</u>
Liabilities		
Non-current liabilities		
Finance lease payables	2,261	1,777
Bank borrowings	-	11,328
Deferred tax liabilities	369	369
	<u>2,630</u>	<u>13,474</u>
Current liabilities		
Trade payables	4,143	3,668
Other payables	898	762
Tax liabilities	-	3
Finance lease payables	1,039	1,013
Bank borrowings	-	606
	<u>6,080</u>	<u>6,052</u>
Total liabilities	<u>8,710</u>	<u>19,526</u>
TOTAL EQUITY AND LIABILITIES	<u>44,152</u>	<u>53,755</u>
Net assets per share (Sen)	9.00	8.69

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 28 February 2014 and the accompanying explanatory notes attached to the interim financial report.



**Condensed consolidated statements of comprehensive income
For 3rd Quarter ended 30 November 2014**

	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30.11.2014 RM '000	30.11.2013 RM '000 Restated	30.11.2014 RM '000	30.11.2013 RM '000 Restated
Continuing operations				
Revenue	5,351	5,621	18,508	16,669
Cost of sales	(4,252)	(4,151)	(13,770)	(12,589)
Gross profit	1,099	1,470	4,738	4,080
Other income	212	5	1,106	10
Administrative and general expenses	(1,209)	(863)	(3,911)	(3,013)
Selling and distribution expenses	(46)	(33)	(102)	(73)
	(1,255)	(896)	(4,013)	(3,086)
Profit/(Loss) from operations	56	579	1,831	1,004
Finance costs	(51)	(211)	(318)	(622)
Profit/(Loss) before tax	5	368	1,513	382
Tax (expense)/income	111	(100)	(300)	(255)
Profit/(Loss) for the continuing operations	116	268	1,213	127
Discontinued operations				
Loss from discontinued operations, net of tax	-	(198)	-	(514)
Profit/(Loss) for the financial year	116	70	1,213	(387)
Attributable to:-				
Owners of the parent				
- from continuing operations	116	268	1,213	127
- from discontinued operations	-	(198)	-	(514)
	116	70	1,213	(387)
Non-controlling interests	-	-	-	-
Profit/(Loss) for the period	116	70	1,213	(387)
Earnings/(Loss) per share (sen)				
Basic and diluted:				
- Continuing operations	0.03	0.14	0.31	0.06
- Discontinued operations	-	(0.10)	-	(0.26)
	0.03	0.04	0.31	(0.20)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 28 February 2014 and the accompanying explanatory notes attached to the interim financial report.



**Condensed consolidated statements of comprehensive income
For 3rd Quarter ended 30 November 2014 (Cont'd)**

	3 Months Ended		9 Months Ended	
	30.11.2014 RM '000	30.11.2013 RM '000 Restated	30.11.2014 RM '000	30.11.2013 RM '000 Restated
Profit/(Loss) for the period	116	70	1,213	(387)
Other comprehensive income:-				
Foreign currency translation differences for foreign operations	-	63	-	(282)
Total comprehensive income for the period	<u>116</u>	<u>133</u>	<u>1,213</u>	<u>(669)</u>
Attributable to:-				
Owners of the parent				
- from continuing operations	116	268	1,213	127
- from discontinued operations	-	(135)	-	(796)
	<u>116</u>	<u>133</u>	<u>1,213</u>	<u>(669)</u>
Non-controlling interests	-	-	-	-
Total comprehensive income for the period	<u>116</u>	<u>133</u>	<u>1,213</u>	<u>(669)</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 28 February 2014 and the accompanying explanatory notes attached to the interim financial report.



Condensed Consolidated Statements of Equity
For 3rd Quarter ended 30 November 2014

	<----- Non-Distributable ----->					Distributable	Non-		Total
	Share Capital RM '000	Share Premium RM '000	Revaluation Reserve RM '000	Warrant Reserve RM '000	Currency Translation Reserve RM '000	Accumulated Losses RM '000	Sub Total RM '000	Controlling Interests RM '000	
At 1 March 2014	39,369	10,967	217	17,126	-	(33,467)	34,212	17	34,229
Total comprehensive income									
Profit for the financial year representing comprehensive income	-	-	-	-	-	1,213	1,213	-	1,213
Other comprehensive income									
Foreign currency translation difference for foreign operations	-	-	-	-	-	-	-	-	-
Total comprehensive income for the financial year	-	-	-	-	-	1,213	1,213	-	1,213
Transactions with owners									
Issue of shares representing transactions with owners	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-	-
At 30 November 2014	39,369	10,967	217	17,126	-	(32,254)	35,425	17	35,442



**Condensed consolidated statements of Equity
For 3rd Quarter ended 30 November 2014 (Cont'd)**

	<----- Attributable to owners of the parent ----->								
	<----- Non-Distributable ----->					Distributable		Non-	
	Share	Share	Revaluation	Warrant	Currency	Accumulated	Sub Total	Controlling	Total
	Capital	Premium	Reserve	Reserve	Translation	Losses	RM '000	Interests	Equity
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
At 1 March 2013	19,175	11,517	217	-	12	(17,454)	13,467	-	13,467
Total comprehensive income									
Loss for the financial year representing comprehensive income	-	-	-	-	-	(387)	(387)	-	(387)
Other comprehensive income									
Foreign currency translation difference for foreign operations	-	-	-	-	(282)	-	(282)	-	(282)
Total comprehensive income for the financial year	-	-	-	-	(282)	(387)	(669)	-	(669)
Issue of shares representing transactions with owners	509	-	-	-	-	-	509	-	509
At 30 November 2013	19,684	11,517	217	-	(270)	(17,841)	13,307	-	13,307

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 28 February 2014 and the accompanying explanatory notes attached to the interim financial report.



**Condensed Consolidated Statements of Cash Flows
For 3rd Quarter ended 30 November 2014**

	Current Year To-Date 30.11.2014 (Unaudited) RM'000	Preceding Year Corresponding Period 30.11.20113 (Unaudited) RM'000
Cash flows from operating activities		
Profit/(Loss) before tax		
- Continuing operations	1,513	382
- Discontinued operations	-	(514)
	<u>1,513</u>	<u>(132)</u>
Adjustments for non-cash and non-operating items	2,045	2,154
Operating profit before working capital changes	3,558	2,022
(Increase)/Decrease in inventories	(626)	(610)
(Increase)/Decrease in receivables	(2,653)	(395)
Increase/(Decrease) in payables	610	172
Cash generated from operations	889	1,189
Interest paid	(318)	(622)
Tax paid	(230)	(275)
Net cash from operating activities	341	292
Cash flows from investing activities		
Investment in unquoted share	(25)	-
Dividend and interest received	184	-
Proceeds from disposal of property, plant and equipment	100	522
Purchase of property, plant and equipment	(2,179)	(329)
Net cash (used in)/from investing activities	(1,920)	193
Cash flows from financing activities		
Proceeds from issue of shares	-	509
Payments of finance lease payables	(805)	(903)
Repayment of term loans	(11,934)	(672)
Net cash (used in)/from financing activities	(12,739)	(1,066)
Effects of exchange rate changes on cash and cash equivalents	-	-
Net (decrease)/increase in cash and cash equivalents	(14,318)	(581)
Cash and cash equivalents brought forward	19,957	1,653
Cash and cash equivalents carried forward	<u>5,639</u>	<u>1,072</u>
Represented by:-		
Cash and Cash Equivalents	5,639	1,270
Bank Overdrafts	-	(198)
	<u>5,639</u>	<u>1,072</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 28 February 2014 and the accompanying explanatory notes attached to the interim financial report.



Part B – Additional information required under Listing Requirements
3rd Quarter ended 30 November 2014

A1) Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with Malaysia Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 28 February 2014 and the accompanying notes attached to the interim financial report.

A2) Changes in Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 28 February 2014 except for the adoption of the following standards, amendments to published standards and interpretations to existing standards which are effective for the financial period commencing on 1 March 2014:

Amendments to MFRSs

MFRS 10	: Consolidated Financial Statements: Investment Entities
MFRS 12	: Disclosure of Interests in Other Entities: Investment Entities
MFRS 127	: Separate Financial Statements: Investment Entities
MFRS 132	: Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
MFRS 136	: Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets – Offsetting Financial
MFRS 139	: Financial Instruments: Recognition and Measurement

New IC Interpretations

IC Interpretation 21	: Levies
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The adoption of the above standards, amendments to published standards and interpretations does not give rise to any material effects to the Group.

A3) Auditors’ Report of Preceding Annual Audited Financial Statements

The auditors’ report on the financial statements for the financial year ended 28 February 2014 contains a qualified opinion by the external auditors.

A4) Seasonal or Cyclical Factors

The Group’s performance is, to certain extent, dependent on the cyclical nature of the electronics and semiconductors industries.



Part B – Additional information required under Listing Requirements
3rd Quarter ended 30 November 2014

A5) Unusual Items

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

A6) Material Changes in Estimates

There were no changes in estimates that have a material effect for the current quarter and financial period.

A7) Debt and Equity Securities

There were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial period under review.

A8) Dividend Paid

There was no dividend paid in the current quarter and financial period.

A10) Discontinued operations

In the previous financial year, the Group had on 28 February 2014 divest its entire equity interest in AT Engineering Sdn. Bhd. The disposal was completed on even date and AT Engineering Sdn. Bhd., together with its wholly-owned subsidiaries (“ATE Group”) ceased to be subsidiaries of the Group. Accordingly, the results arising from ATE Group are presented as discontinued operation in the corresponding quarters.

A11) Segmental Information

Information about operating segments has not been reported separately as the Group’s profit or loss, assets and liabilities are mainly confined to a single operating segment, namely the design, manufacture and fabrication of industrial automation systems, machinery, industrial and engineering parts.

A12) Valuation of Property, Plant and Equipment

The carrying amount of property, plant and equipment of the Group has been brought forward, without amendment from the previous audited financial statements.



**Part B – Additional information required under Listing Requirements
3rd Quarter ended 30 November 2014**

A13) Events after the Reporting Period

Other than those disclosed elsewhere in the interim financial report, there were no other material events subsequent to the end of the interim period.

A14) Changes in the Composition of the Group

Other than those disclosed elsewhere in the interim financial report, there were no changes in the composition of the Group during the current quarter and financial period.

A15) Changes in Contingent Liabilities or Contingent Assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of the interim financial report.

A16) Capital Commitment

As of 30 November 2014, capital commitment are in respect of the factory expansion by a subsidiary of the Group:

	RM'000
Approved and contracted for	3,619
Approved but not contracted for	943
	<hr/>
	4,562

A17) Related Party Transactions

There were no significant transactions with related parties during the current quarter and financial period.

B1) Review of Performance

Current Quarter

(a) Continuing operations

The Group recorded lower revenue at RM5.35 million for the third quarter ended 30 November 2014 as compared to RM5.62 million in the previous corresponding quarter. The lower revenue was due to decrease in customers' orders in fabrication of industrial & engineering parts business in this quarter and deferment of order delivery in industrial automation system and machinery business. Consequently, the Group recorded a lower pre-tax profit of RM0.05 million as compared to a pre-tax profit of RM0.37 million in the previous corresponding quarter. The decrease in pre-tax profit was also due to loss on disposal of machineries of RM0.24 million. This was however mitigated by rental income and lower finance costs.



Part B – Additional information required under Listing Requirements
3rd Quarter ended 30 November 2014

B1) Review of Performance (cont'd)

Current Quarter (cont'd)

(b) Discontinued operations

The discontinued operations in the corresponding period comprised the manufacturing activities from ATE Group. ATE Group recorded a revenue of RM0.28 million and pre-tax loss of RM0.19 million.

Overall, the Group achieved a pre-tax profit of RM0.05 million as compared to pre-tax profit of RM0.17 million (comprising continuing and discontinued operations) achieved during the corresponding period. This represents a decrease of RM0.12 million.

Cumulative Quarter

(a) Continuing operations

The Group posted revenue of RM18.51 million for the cumulative quarter ended 30 November 2014, which was RM1.84 million or 11% higher as compared to RM16.67 million in the corresponding cumulative quarter. The increase was attributable to higher customers' order in the fabrication of industrial & engineering parts business.

The Group recorded pre-tax profit of RM1.51 million for the cumulative quarter ended 30 November 2014, an increase of RM1.13 million as compared to pre-tax profit of RM0.38 million in the corresponding cumulative quarter. The increase was mainly contributed by better performance from fabrication of industrial & engineering parts business and dividend income from fixed income fund, rental income, coupled with lower finance costs.

(b) Discontinued operations

The discontinued operations in the corresponding period comprised the manufacturing activities from ATE Group. ATE Group recorded a revenue of RM0.95 million and pre-tax loss of RM0.51 million.

Overall, the Group achieved a pre-tax profit of RM1.51 million as compared to pre-tax loss of RM0.13 million (comprising continuing and discontinued operations) achieved during the corresponding period. This represents an increase of RM1.64 million.



Part B – Additional information required under Listing Requirements
3rd Quarter ended 30 November 2014

B2) Material Change in the Profit before Taxation of Current Quarter Compared with the Immediate Preceding Quarter

The Group posted pre-tax profit of RM0.05 million for the third quarter ended 30 November 2014, a decrease of RM0.63 million as compared to pre-tax profit of RM0.68 million in the preceding quarter. The lower pre-tax profit was mainly due decrease in customers' orders in fabrication of industrial & engineering parts business, coupled with loss on disposal of machineries of RM0.24 million in this quarter.

B3) Prospects

The Group will continue to focus and expand on the core business in fabrication of industrial and engineering parts and design and manufacture of industrial automation system and machinery. Notwithstanding that, the Group will continuously seek opportunity for business growth and will look for new market opportunities.

B4) Variance between Actual Profit and Forecast Profit

The Group did not issue any profit forecast or profit guarantee during the current quarter and financial period.

B5) Taxation

	Individual Quarter		Cumulative Quarter	
	<u>30.11.2014</u>	<u>30.11.2013</u>	<u>30.11.2014</u>	<u>30.11.2013</u>
	RM'000	RM'000	RM'000	RM'000
Income tax expense	(111)	100	300	255
Deferred tax transfers	-	-	-	-
	(111)	100	300	255

The effective tax rate of the Group is lower than the statutory income tax rate for the current financial period mainly due to availability of reinvestment allowance by a subsidiary.



Part B – Additional information required under Listing Requirements
3rd Quarter ended 30 November 2014

B6) Corporate Proposals

- 1) The Company completed a private placement exercise on 15 March 2013 (“Private Placement 2013”) and the Rights Issue with Free Warrants (“Rights Issue Exercise”) on 5 February 2014. The Company announced on 4 June 2014 and 28 August 2014 the variations of the unutilised proceeds from the respective fund raising exercises.

The Company has varied RM0.387 million of the remaining proceeds from the Private Placement 2013 and RM2.65 million of the remaining proceeds from the Rights Issue Exercise for the construction of factory building extension. Further RM0.15 million and RM0.70 million from Rights Issue Exercise were re-allocated for Goods and Services Tax compliance and implementation, capital expenditure and/or working capital for AT Precision Tooling Sdn Bhd, respectively. Taking into consideration the variation of proceeds, the summary of the utilisation of proceeds are set out below:-

i) Private Placement 2013

Details	Proposed utilisation	Revised utilisation	Amounts utilised as at 30 November 2014	Balance unutilised	Estimated timeframe for the utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000	
To purchase glove counting machines	300	-	-	-	Within three (3) months
To fund the development and production of wheel-chair washing machines	189	102	102	-	Within three (3) months
Partially finance the construction of factory building extension	-	387	387	-	Within three (3) months
Estimated expenses in relation to the private placement exercise	20	20	20	-	-
Total	509	509	509	-	



**Part B – Additional information required under Listing Requirements
3rd Quarter ended 30 November 2014**

B6) Corporate Proposals (cont'd)

ii) Rights Issue Exercise

Details	Proposed utilisation	Revised utilisation	Amounts utilised as at 30 November 2014	Balance unutilised	Estimated timeframe for the utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000	
Repayment of bank borrowings	12,600	12,600	12,600	-	Within six (6) months
Working capital	3,785	285	285	-	Within twelve (12) months
Partially finance the construction of factory building extension	2,800	5,450	1,135	4,315	Within twelve (12) months
Goods and Services Tax compliance and implementation	-	150	21	129	Within twelve (12) months
Capital expenditure and/or working capital for the Group's wholly-owned subsidiary, namely AT Precision Tooling Sdn Bhd	-	700	100	600	Within twelve (12) months
To defray expenses relating to rights issue exercise	500	500	500	-	Within three (3) months
Total	19,685	19,685	14,641	5,044	

- 2) On 17 April 2014, the Company subscribed for 25,000 ordinary shares of RM1.00 each representing 5% of the issued and fully paid-up share capital of ATS Biotech Sdn. Bhd. ("ATS Biotech") for a total cash consideration of RM25,000. On even date, the Company entered into a Joint Venture Agreement with Anhui Shengyun Environment Protection Group Co. Ltd., Promosi Mantap Sdn. Bhd. and Md. Wira Dani Bin Abdul Daim to bid for the construction of a mass-scale incinerator facility under the "Waste to Energy" Public Private Partnership Project through ATS Biotech. On 29 October 2014, the Company announced that ATS Biotech was unsuccessful in bidding for the said tender.
- 3) On 4 June 2014, TA Securities Holdings Berhad, on behalf of the Company had announced that the Company proposed to implement a private placement of up to 59,053,700 new ordinary shares of RM0.10 each in the Company, representing not more than ten percent (10%) of the enlarged issued and paid-up capital of the Company to independent third party investor(s) to be identified at a later date (hereinafter referred to as "Proposed Private Placement").



Part B – Additional information required under Listing Requirements
3rd Quarter ended 30 November 2014

B6) Corporate Proposals (cont'd)

The Company is expected to raise gross proceeds amounting to RM5.9 million from the Proposed Private Placement. The proceeds raised are expected to be utilised in the following manner:-

Details of utilisation	Minimum Scenario RM'000	Maximum Scenario RM'000	Estimated timeframe for the utilisation of proceeds
Business expansion and/or investments	3,500	5,000	Within twelve (12) months
Working capital	297	725	Within twelve (12) months
Estimated expenses	140	180	-
Total	3,937	5,905	

The Proposed Private Placement is currently pending for approval by relevant authorities.

- 4) On 18 June 2014, the Company announced that its wholly-owned subsidiary, AT Precision Tooling Sdn. Bhd. (“ATP”) has entered into a Memorandum of Understanding (“MOU”) with Fong’s Engineering & Manufacturing Pte. Ltd. (“FEM”) with the intention to form a Joint Venture Company (“JVCO”) to collaborate in the area of oil and gas, life science, electronics, aerospace and other industries operations and to position the JVCO as FEM’s manufacturing arm outside Singapore to meet FEM’s customers’ job orders and requirements. On 5 November 2014, ATP signed a Joint Venture and Shareholders Agreement (“JVSA”) with FEM to formalise the joint venture arrangement and regulate the relationship of both parties as shareholders of JVCO as well as their rights and obligations. All current and existing projects/orders from FEM to ATP will be transferred to and managed by the JVCO within 3 months upon the execution of JVSA.

On 27 January 2015, the Company announced the incorporation of JVCO, namely Fong’s & AT Venture Sdn. Bhd. on 2 January 2015 together with the completion of shares allotment and allocation pursuant to JVSA, i.e. 75% shareholdings by ATP and 25% shareholdings by FEM. The authorised share capital of Fong’s & AT Venture is RM500,000.00, divided into 500,000 ordinary shares of RM1.00 each with an issued and paid-up share capital of RM100,000.00, divided into 100,000 ordinary shares.



Part B – Additional information required under Listing Requirements
3rd Quarter ended 30 November 2014

B7) Borrowings and Debts Securities

Group's borrowings as at 30 November 2014 are as follows:-

	RM'000
Non-Current	
Secured:	
- Finance lease payables	2,261
- Bank borrowings	-
	<u>2,261</u>
Current	
Secured:	
- Finance lease payables	1,039
- Bank borrowings	-
	<u>1,039</u>
Total	<u><u>3,300</u></u>

B8) Material Litigation

There were no material litigations against the Group as at the date of the interim financial report. The directors of the Group do not have any knowledge of any proceeding pending or threatened against the Group which might materially and adversely affect the financial position or business of the Group.

B9) Dividend

There was no dividend declared or paid for the current period under review.

B10) Earnings/(Loss) per Share

The basic earnings/(loss) per share is calculated by dividing the Group's profit/(loss) for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period as follows:-

	Individual Quarter		Cumulative Quarter	
	<u>30.11.2014</u>	<u>30.11.2013</u>	<u>30.11.2014</u>	<u>30.11.2013</u>
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) attributable to owners of the parent	116	70	1,213	(387)
Weighted average number of shares in issue (RM'000)	<u>393,692</u>	<u>196,846</u>	<u>393,692</u>	<u>196,636</u>
Earnings/(Loss) Per Share				
- Basic (sen)	0.03	0.04	0.31	(0.20)
- Diluted (sen)	<u>0.03</u>	<u>0.04</u>	<u>0.31</u>	<u>(0.20)</u>



Part B – Additional information required under Listing Requirements
3rd Quarter ended 30 November 2014

B10) Earnings/(Loss) per Share (cont'd)

The diluted earnings/(loss) per share equal the basic earnings/(loss) per share as the Company did not have any dilutive potential ordinary shares during the financial period. The Company's warrants are anti-dilutive for the financial period under review.

B11) Profit/(Loss) Before Tax

	Individual Quarter		Cumulative Quarter	
	3 Months Ended	3 Months Ended	9 Months Ended	9 Months Ended
	30.11.2014	30.11.2013	30.11.2014	30.11.2013
	RM '000	RM '000	RM '000	RM '000
Included in the profit/(loss) before tax is:- after charging/(crediting):				
Interest expense	51	211	318	622
Depreciation of property, plant and equipment	566	529	1,674	1,565
Rental income	(368)	(232)	(1,071)	(750)
Dividend income	(19)	-	(177)	-
Interest income	(5)	-	(6)	-
Gain on foreign exchange:				
- realised	(8)	(35)	(15)	(56)
- unrealised	(43)	-	(47)	-
Loss/(Gain) on disposal of property, plant & equipment	237	(5)	237	(41)

B12) Fair Value Hierarchy

(a) The following table provides an analysis of assets and liabilities that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- (i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- (iii) Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).



Part B – Additional information required under Listing Requirements
3rd Quarter ended 30 November 2014

B12) Fair Value Hierarchy (cont'd)

As at 30 November 2014, the Group held the following assets and liabilities on the statements of financial position:

	Fair value of assets and liabilities not carried at fair value				Carrying amount RM'000
	Level 1	Level 2	Level 3	Total	
	RM'000	RM'000	RM'000	RM'000	
Group					
2014					
Financial liabilities					
- Finance lease payables	-	3,701	-	3,701	3,300

	Fair value of assets and liabilities carried at fair value				Carrying amount RM'000
	Level 1	Level 2	Level 3	Total	
	RM'000	RM'000	RM'000	RM'000	
Group					
2014					
Non-current assets					
- Leasehold lands	-	3,692	-	3,692	3,692
- Buildings	-	12,674	-	12,674	12,674
	-	16,366	-	16,366	16,366

B13) Realised and Unrealised Profits/ (Losses)

	As At 30.11.2014 RM'000	As At 30.11.2013 RM'000
Total accumulated losses of the Company and its subsidiaries:-		
- Realised	(34,420)	(38,514)
- Unrealised	(369)	716
	(34,789)	(37,798)
Consolidation adjustments and eliminations	2,535	19,957
Total accumulated losses as per statement of financial position	(32,254)	(17,841)

B14) Authorisation for Issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board on 30 January 2015.