

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE 4th QUARTER ENDED 31 DECEMBER 2014

|   |      | CURRENT<br>QUARTER<br>31/12/14 | PRECEDING<br>CORRESPONDING<br>QUARTER<br>31/12/13 | CUMULATIVE<br>QUARTER<br>ENDED<br>31/12/14 | CUMULATIVE<br>QUARTER<br>ENDED<br>31/12/13 |
|---|------|--------------------------------|---|--|--|
|   | Note | RM'000                         | RM'000  | RM'000                                     | RM'000                                     |
| CONTINUING OPERATIONS   |      |                                |   |  |  |
| REVENUE   |      | 9,115                          | 9,577   | 33,818                                     | 39,142                                     |
| COST OF SALES   |      | (7,803)                        | (8,229)   | (29,879)                                   | (32,405)                                   |
| GROSS PROFIT  |      | 1,312                          | 1,348   | 3,939                                      | 6,737                                      |
| OTHER INCOME  |      | 630                            | 78  | 843  | 329  |
| ADMINISTRATIVE EXPENSES   |      | (2,455)                        | (2,457)   | (9,659)                                    | (9,321)                                    |
| SELLING AND DISTRIBUTION EXPENSES                               |      | (133)                          | (126)   | (499)                                      | (562)                                      |
| OTHER EXPENSES  |      | (126)                          | (97)  | (124)                                      | (97)                                       |
| FINANCE COST  |      | (32)                           | (18)  | (83)                                       | (44)                                       |
| LOSS BEFORE TAX   |      | (804)                          | (1,272)   | (5,583)                                    | (2,958)                                    |
| TAX EXPENSE   |      | -                              | 658   | -  | 651  |
| LOSS FROM CONTINUING OPERATIONS                                 |      | (804)                          | (614)   | (5,583)                                    | (2,307)                                    |
| DISCONTINUED OPERATIONS   |      |                                |   |  |  |
| PROFIT FROM DISCONTINUED OPERATIONS                             |      | -                              | (141)   | -  | 353  |
| LOSS FOR THE PERIOD   |      | (804)                          | (755)   | (5,583)                                    | (1,954)                                    |
| OTHER COMPREHENSIVE INCOME                                      |      |                                |   |  |  |
| Foreign currency translation differences for foreign operations |      | 638                            | 150   | 415  | 1,066                                      |
|   |      | 638                            | 150   | 415  | 1,066                                      |
| TOTAL COMPREHENSIVE LOSS<br>FOR THE PERIOD                      |      | (166)                          | (605)   | (5,168)                                    | (888)                                      |
| Loss attributable to:   |      |                                |   |  |  |
| Owners of the company   |      | (804)                          | (755)   | (5,583)                                    | (1,954)                                    |
| Non-controlling interests                                       |      | -                              | -   | -  | -  |
|   |      | (804)                          | (755)   | (5,583)                                    | (1,954)                                    |
| Total comprehensive loss attributable to:                       |      |                                |   |  |  |
| Owners of the company   |      | (166)                          | (605)   | (5,168)                                    | (888)                                      |
| Non-controlling interests                                       |      | -                              | -   | -  | -  |
|   |      | (166)                          | (605)   | (5,168)                                    | (888)                                      |
| (Loss)/earnings per share (sen)                                 |      |                                |   |  |  |
| Basic   | 25   | (0.68)                         | (0.64)  | (4.76)                                     | (1.66)                                     |
| Basic-continuing operations                                     | 25   | (0.68)                         | (0.52)  | (4.76)                                     | (1.97)                                     |
| Basic-discontinued operations                                   | 25   | -                              | (0.12)  | -  | 0.30                                       |
| Diluted   | 25   | N/a                            | (0.43)  | N/a  | N/a  |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited consolidated financial statements of McLean Technologies Berhad for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial statements.)

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

|  | Note | <u>(UNAUDITED)</u>      | <u>(AUDITED)</u>      |
|--|------|-------------------------|-----------------------|
|  |      | <b>As at 31/12/2014</b> | <b>As at 31/12/13</b> |
|  |      | <b>RM'000</b>           | <b>RM'000</b>         |
| <b>ASSETS</b>  |      |                         |                       |
| <b>Non-current assets</b>                                      |      |                         |                       |
| Intangible assets  |      | 2,492                   | 3,394                 |
| Property, plant and equipment                                  |      | 9,418                   | 9,696                 |
| Other receivables  |      | 399                     | 1,113                 |
|  |      | <u>12,309</u>           | <u>14,203</u>         |
| <b>Current assets</b>  |      |                         |                       |
| Inventories  |      | 207                     | 773                   |
| Trade receivables  |      | 9,067                   | 11,197                |
| Other receivables and prepayment                               |      | 4,324                   | 6,768                 |
| Cash and bank balances   |      | 2,685                   | 1,972                 |
|  |      | <u>16,283</u>           | <u>20,710</u>         |
| <b>TOTAL ASSETS</b>  |      | <b><u>28,592</u></b>    | <b><u>34,913</u></b>  |
| <b>EQUITY AND LIABILITIES</b>                                  |      |                         |                       |
| <b>Equity attributable to owners of the owners</b>             |      |                         |                       |
| Share capital  |      | 29,350                  | 29,350                |
| Share premium  |      | 3,420                   | 3,420                 |
| (Accumulated losses)/ Unappropriated profits                   |      | (1,598)                 | 3,985                 |
| Other reserves   |      | (13,981)                | (14,396)              |
| <b>TOTAL EQUITY</b>  |      | <b><u>17,191</u></b>    | <b><u>22,359</u></b>  |
| <b>Non-current liability</b>                                   |      |                         |                       |
| Term loan  |      | 912                     | 1,262                 |
| <b>Current liabilities</b>                                     |      |                         |                       |
| Trade payables   |      | 4,868                   | 6,349                 |
| Other payables   |      | 2,270                   | 4,017                 |
| Term loan  |      | 3,351                   | 926                   |
|  |      | <u>10,489</u>           | <u>11,292</u>         |
| <b>TOTAL LIABILITIES</b>                                       |      | <b><u>11,401</u></b>    | <b><u>12,554</u></b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                            |      | <b><u>28,592</u></b>    | <b><u>34,913</u></b>  |
| Net assets per share attributable to owners of the parent (RM) |      | <u>0.15</u>             | <u>0.19</u>           |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements of MClean Technologies Berhad for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial statements.)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE 4TH QUARTER ENDED 31 DECEMBER 2014

Cumulative quarter ended 31 December 2014

|                                       | ATTRIBUTABLE TO THE OWNERS OF THE COMPANY |               |                 |                 |                              |                        |               |
|---------------------------------------|---|---------------|-----------------|-----------------|------------------------------|------------------------|---------------|
|                                       | Non distributable                         |               |                 |                 | Distributable                |                        |               |
|                                       | SHARE CAPITAL                             | SHARE PREMIUM | MERGER DEFICIT  | WARRANT RESERVE | CURRENCY FLUCTUATION RESERVE | UNAPPROPRIATED PROFITS | TOTAL         |
| RM'000                                | RM'000                                    | RM'000        | RM'000          | RM'000          | RM'000                       | RM'000                 |               |
| Balance as at 01.01.2014              | 29,350                                    | 3,420         | (22,246)        | 5,400           | 2,450                        | 3,985                  | 22,359        |
| Total comprehensive loss for the year | -   | -             | -               | -               | 415                          | (5,583)                | (5,168)       |
| Balance as at 31.12.14                | <b>29,350</b>                             | <b>3,420</b>  | <b>(22,246)</b> | <b>5,400</b>    | <b>2,865</b>                 | <b>(1,598)</b>         | <b>17,191</b> |

Cumulative quarter ended 31 December 2013

|  | ATTRIBUTABLE TO THE OWNERS OF THE COMPANY |               |                 |                 |                              |                        |               |
|--|---|---------------|-----------------|-----------------|------------------------------|------------------------|---------------|
|  | Non distributable                         |               |                 |                 | Distributable                |                        |               |
|  | SHARE CAPITAL                             | SHARE PREMIUM | MERGER DEFICIT  | WARRANT RESERVE | CURRENCY FLUCTUATION RESERVE | UNAPPROPRIATED PROFITS | TOTAL         |
| RM'000   | RM'000                                    | RM'000        | RM'000          | RM'000          | RM'000                       | RM'000                 |               |
| Balance as at 01.01.2013                       | 29,350                                    | 3,420         | (22,246)        | 5,400           | 1,384                        | 5,939                  | 23,247        |
| Total comprehensive profit/(loss) for the year | -   | -             | -               | -               | 1,066                        | (1,954)                | (888)         |
| Balance as at 31.12.13                         | <b>29,350</b>                             | <b>3,420</b>  | <b>(22,246)</b> | <b>5,400</b>    | <b>2,450</b>                 | <b>3,985</b>           | <b>22,359</b> |

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited consolidated financial statements of MClean Technologies Berhad for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial statements.)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE 4TH QUARTER ENDED 31 DECEMBER 2014

|  | CURRENT<br>FINANCIAL<br>PERIOD<br>31/12/2014 | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD<br>31/12/2013 |
|--|--|---|
|  | RM'000                                       | RM'000  |
| <b>OPERATING ACTIVITIES</b>  |  |   |
| Loss before tax from continuing operations                               | (5,583)                                      | (2,958)   |
| Profit before tax from discontinued operations                           | -  | 353   |
| Loss before tax  | <u>(5,583)</u>                               | <u>(2,605)</u>  |
| Adjustments for:   |  |   |
| Bad debt written off   | -  | 9   |
| Depreciation   | 3,139  | 2,891   |
| Written off of plant, property & equipment                               | 78   | 2   |
| Loss on disposal of PPE  | 12   | 35  |
| Amortisation of intangible assets  | 955  | 509   |
| Impairment of doubtful debt  | -  | 257   |
| Inventory write down   | 35   | -   |
| Interest income  | (4)  | (9)   |
| Interest expenses  | 83   | 44  |
| SME tax incentive  | -  | (152)   |
| Unrealised gain on foreign exchange                                      | (423)  | (296)   |
| Operating (loss)/ profit before working capital changes                  | <u>(1,708)</u>                               | <u>685</u>  |
| Changes in working capital:-   |  |   |
| Inventories  | 540  | 2,275   |
| Receivables  | 6,744  | (7,472)   |
| Payables   | (4,242)                                      | 588   |
| CASH FROM/ (USED IN) OPERATIONS  | <u>1,334</u>                                 | <u>(3,924)</u>  |
| Tax paid - net   | -  | (50)  |
| Interest paid  | (83)   | (44)  |
| <b>NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES</b>           | <b><u>1,251</u></b>                          | <b><u>(4,018)</u></b>                                   |
| <b>INVESTING ACTIVITIES</b>  |  |   |
| Purchase of property, plant and equipment                                | (2,600)                                      | (1,205)   |
| Sales proceed from disposal of plant, property & equipment               | 51   | 2,270   |
| Development cost   | -  | (1,970)   |
| Interest received  | 4  | 9   |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                             | <b><u>(2,545)</u></b>                        | <b><u>(896)</u></b>                                     |
| <b>FINANCING ACTIVITIES</b>  |  |   |
| Long term loan   | 2,846  | 2,530   |
| Repayment of term loan   | (950)  | (399)   |
| <b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>                      | <b><u>1,896</u></b>                          | <b><u>2,131</u></b>                                     |
| <b>CASH AND CASH EQUIVALENTS</b>   |  |   |
| Net changes  | 602  | (2,783)   |
| Brought forward  | 1,972  | 4,654   |
| Effects of exchange translation differences on cash and cash equivalents | 111  | 101   |
| Carried forward  | <b><u>2,685</u></b>                          | <b><u>1,972</u></b>                                     |

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated financial statements of MClean Technologies Berhad for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial statements.)

**Unaudited financial results of MClean and its subsidiaries (the “Group”) for year ended 31 December 2014.**

Explanatory notes to the quarterly report and for the financial year ended 31 December 2014

**1. Basis of preparation**

The Condensed Interim Financial Statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) No 134: Interim Financial Reporting and Paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad. This Interim Financial Statements also complied with IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013. The explanatory notes attached to these condensed consolidated 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.

**2. Significant Accounting Policies**

Significant accounting policies and methods of computation adopted for the condensed interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2013 except for the adoption of the new/revised MFRS mentioned below.

**2.1 Adoption of MFRS, Amendments to MFRS and IC Interpretation**

On 1 January 2014, the Group adopted the following new and amended MFRSs and IC Interpretation which are mandatory for annual financial periods beginning on or after 1 January 2014:

**MFRS and Amendments effective for annual periods beginning on or after 1 January 2014**

- (a) Amendments to MFRS 10: Consolidated Financial Statements: Investment Entities
- (b) Amendments to MFRS 12: Disclosure of Interest in Other Entities: Investment Entities
- (c) Amendments to MFRS 127: Consolidated and Separate Financial Statements: Investment Entities
- (d) Amendments to MFRS 132: Financial Instruments: Presentation: Offsetting Financial Assets and Financial Liabilities
- (e) Amendments to MFRS 136: Impairment of assets: Recoverable Amount Disclosures for Non-Financial Assets
- (f) Amendments to MFRS 139: Financial Instruments: Recognition and Measurements: Novation of Derivatives and Continuation of Hedge Accounting
- (g) IC Interpretation 21: Levies

Adoption of the above standards and amendments does not have material impact on the financial statements of the Group.

**2.2 MFRSs and Amendments to MFRSs Issued but not yet Effective**

The following MFRSs and Amendments to MFRSs issued by the MASB and they have not been early adopted in this set of financial statements.

**(a) MFRS and Amendments effective for annual periods beginning on or after 1 July 2014**

- 1) Annual Improvements to MFRSs 2010-2012 Cycle
  - a. Amendment to MFRS 2 Share-based Payment
  - b. Amendments to MFRS 8 Operating Segments
  - c. Amendments to MFRS 116 Property, Plant and Equipment
  - d. Amendments to MFRS 124 Related Party
  - e. Amendments to MFRS 138 Intangible
- 2) Annual Improvements to 2011-2013 Cycle
  - a. Amendments to MFRS 3 Business Combinations
  - b. Amendments to MFRS 13 Fair Value Measurement and
  - c. Amendments to MFRS 140 Investment
- 3) Amendments to MFRS 119 Defined Benefit Plans: Employee Contributions

**(b) MFRS and Amendments effective for annual periods beginning on or after 1 January 2016**

- 1) MFRS 14 Regulatory Deferral Accounts
- 2) Amendments to MFRS 10 and MFRS 128 – Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture
- 3) Amendments to MFRS 10, MFRS 12 and MFRS 128 – Investment Entities: Applying the Consolidation Exception
- 4) Amendments to MFRS 11 Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations
- 5) Amendments to MFRS 101 - Disclosure Initiative
- 6) Amendments to MFRS 116 and MFRS 138 - Clarification of Acceptable Methods of Depreciation and Amortisation
- 7) Amendments to MFRS 116 and MFRS 141 -Agriculture: Bearer Plants
- 8) Amendments to MFRS 127 - Separate Financial Statements
- 9) Annual Improvements to MFRSs 2012–2014 Cycle
  - a. Amendments to MFRS 5
  - b. Amendments to MFRS 7
  - c. Amendments to MFRS 119
  - d. Amendment to MFRS 134

**(c) MFRS and Amendments effective for annual periods beginning on or after 1 January 2017**

MFRS 15 Revenue from Contracts with Customers

**(d) MFRS and Amendments effective for annual periods beginning on or after 1 January 2018**

MFRS 9: Financial Instruments (IFRS 9 as issued by IASB in Jul 2014)

**3. Audit Report of the Preceding Audited Financial Statements**

The auditors have expressed an unqualified opinion on the Company’s statutory consolidated financial statements for the financial year ended 31 December 2013 in their report dated 25 April 2014.

**4. Seasonal or Cyclical Factors**

Our Group’s revenue is not significantly affected by the seasonal or cyclical factors for the quarter under review.

5. **Unusual Items**

Except as disclosed, there was no item which is unusual because of its nature, size, or incidence that has affected the assets, liabilities, equity, net income or cash flow of the Group for the current financial quarter under review.

6. **Material Changes in Estimates**

There were no changes in estimate of amounts reported that has a material impact in the current financial quarter under review.

7. **Changes in Debts and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs and share cancellation, during the year ended 31 December 2014.

8. **Dividend Paid**

There were no dividends paid during the quarter under review.

9. **Segmental Reporting**

The segmental result of the Group for the current and previous financial year-to-date under review is set out below:

| <b>Geographical information</b>  |  |  |
|--|--|--|
| Revenue information based on the geographical location of customers are as follows:- |  |  |
| <b>Location</b>  | <b>12 Months Ended<br/>31.12.2014<br/>RM'000</b> | <b>12 Months Ended<br/>31.12.2013<br/>RM'000</b> |
| People's Republic of China   | 13,806   | 10,377   |
| Malaysia   | 3,854  | 5,473  |
| Singapore  | 21,208   | 27,927   |
| Others   | 1,894  | 3,600  |
| Inter segment  | (6,944)  | (8,235)  |
|  | <b>33,818</b>                                    | <b>39,142</b>                                    |

| <b>Current quarter ended<br/>31.12.14</b> | <b>Technical<br/>Assembly<br/>Services<br/>RM'000</b> | <b>Precision<br/>Cleaning<br/>RM'000</b> | <b>Elimination<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|---|---|--|-------------------------------|-------------------------|
| <b>Revenue:-</b>                          |   |  |                               |                         |
| External customers                        | -   | 9,115                                    | -                             | 9,115                   |
| Inter segment                             | -   | 1,850                                    | (1,850)                       | -                       |
| <b>Total revenue</b>                      | -   | <b>10,965</b>                            | <b>(1,850)</b>                | <b>9,115</b>            |
| <b>Results:-</b>                          |   |  |                               |                         |
| Segment results                           | -   | 1,312                                    | -                             | 1,312                   |
| Unallocated amounts:                      |   |  |                               |                         |
| Other income                              |   |  |                               | 432                     |
| Other corporate expenses                  |   |  |                               | (2,548)                 |
| Loss before tax                           |   |  |                               | <b>(804)</b>            |

**MCLEAN TECHNOLOGIES BERHAD ("MCLEAN" OR THE COMPANY")**  
**(Company No: 893631-T)**

| <b>Current quarter ended<br/>31.12.13</b>             | <b>Technical<br/>Assembly<br/>Services<br/>RM'000</b> | <b>Precision<br/>Cleaning<br/>RM'000</b> | <b>Elimination<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|---|---|--|-------------------------------|-------------------------|
| <b>Revenue:-</b>                                      |   |  |                               |                         |
| External customers                                    | 1,353   | 8,224                                    | -                             | 9,577                   |
| Inter segment   |   | 2,222                                    | (2,222)                       | -                       |
| <b>Total revenue</b>                                  | <b>1,353</b>  | <b>10,446</b>                            | <b>(2,222)</b>                | <b>9,577</b>            |
| <b>Results:-</b>                                      |   |  |                               |                         |
| Segment results                                       | 339   | 1,009                                    | -                             | 1,348                   |
| Unallocated amounts:                                  |   |  |                               |                         |
| Other income  |   |  |                               | 78                      |
| Other corporate expenses                              |   |  |                               | (2,698)                 |
| Profit before tax                                     |   |  |                               | <b>(1,272)</b>          |
| <b>Cumulative quarter ended<br/>31.12.2014</b>        |   |  |                               |                         |
| <b>Technical<br/>Assembly<br/>Services<br/>RM'000</b> | <b>Precision<br/>Cleaning<br/>RM'000</b>              | <b>Elimination<br/>RM'000</b>            | <b>Total<br/>RM'000</b>       |                         |
| <b>Revenue:-</b>                                      |   |  |                               |                         |
| External customers                                    | -   | 33,818                                   | -                             | 33,818                  |
| Inter segment   | -   | 6,944                                    | (6,944)                       | -                       |
| <b>Total revenue</b>                                  | <b>-</b>  | <b>40,762</b>                            | <b>(6,944)</b>                | <b>33,818</b>           |
| <b>Results:-</b>                                      |   |  |                               |                         |
| Segment results                                       | -   | 3,939                                    | -                             | 3,939                   |
| Unallocated amounts:                                  |   |  |                               |                         |
| Other income  |   |  |                               | 646                     |
| Other corporate expenses                              |   |  |                               | (10,168)                |
| Loss before tax                                       |   |  |                               | <b>(5,583)</b>          |
| <b>Cumulative quarter ended<br/>31.12.2013</b>        |   |  |                               |                         |
| <b>Technical<br/>Assembly<br/>Services<br/>RM'000</b> | <b>Precision<br/>Cleaning<br/>RM'000</b>              | <b>Elimination<br/>RM'000</b>            | <b>Total<br/>RM'000</b>       |                         |
| <b>Revenue:-</b>                                      |   |  |                               |                         |
| External customers                                    | 5,973   | 33,169                                   | -                             | 39,142                  |
| Inter segment   | -   | 8,127                                    | (8,127)                       | -                       |
| <b>Total revenue</b>                                  | <b>5,973</b>  | <b>41,296</b>                            | <b>(8,127)</b>                | <b>39,142</b>           |
| <b>Results:-</b>                                      |   |  |                               |                         |
| Segment results                                       | 926   | 5,811                                    | -                             | 6,737                   |
| Unallocated amounts:                                  |   |  |                               |                         |
| Other income  |   |  |                               | 329                     |
| Other corporate expenses                              |   |  |                               | (10,024)                |
| Loss before tax                                       |   |  |                               | <b>(2,958)</b>          |

It was not practicable to separate out the segment assets and liabilities for its business segments as the assets and liabilities were jointly used by all business segments.



10. **Valuation of Property, Plant and Equipment**

The Group does not own any properties or real estate. As at 31 December 2014, all the Group’s plant and equipment were stated at cost less accumulated depreciation.

11. **Material Events Subsequent to the End of the Current Financial Quarter**

There were no material events subsequent to the end of the reporting quarter that have not been reflected in the quarter under review.

12. **Changes in the Composition of the Group**

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

13. **Contingent Liabilities and Contingent Assets**

(a) **Contingent liabilities**

There were no contingent liabilities as at the end of current financial quarter.

(b) **Contingent assets**

There were no contingent assets as at the end of current financial quarter.

14. **Capital Commitment**

There was no capital commitment as at the end of the current financial quarter.

15. **Review of Performance**

**Comparison between Current Financial Quarter / Year-to-date Ended 31 December 2014 and Previous Corresponding Quarter / Year-to-date Ended 31 December 2013**

A summary of the Group’s performance is set out below:-

|                 | 31.12.2014                        |                       | 3 Months Ended |                                   |                       | 31.12.2013 |  |
|-----------------|-----------------------------------|-----------------------|----------------|-----------------------------------|-----------------------|------------|--|
|                 | Technical<br>Assembly<br>Services | Precision<br>Cleaning | Total          | Technical<br>Assembly<br>Services | Precision<br>Cleaning | Total      |  |
|                 | RM’000                            | RM’000                | RM’000         | RM’000                            | RM’000                | RM’000     |  |
| Revenue         | -                                 | 9,115                 | 9,115          | 1,353                             | 8,224                 | 9,577      |  |
| Gross profit    | -                                 | 1,312                 | 1,312          | 339                               | 1,036                 | 1,375      |  |
| Loss before tax |                                   |                       | (804)          |                                   |                       | (1,272)    |  |

**Technical Assembly Services Division**

There were no orders in the current quarter ended 31 Dec 2014.

Precision Cleaning Division

Revenue from Precision Cleaning for the current quarter has increase by approximately 10.8% as compared to the preceding year corresponding quarter. The increase is mainly attributable to increase in clean bulk packaging services.

In line with the increase in turnover, gross profit margin increase from RM1.04 million to RM 1.31 million for the current quarter ended 31 Dec 2014.

Overall, the Group reported a loss before tax of RM0.804 million as compared to a loss before tax of RM1.272 million in the previous year corresponding quarter.

**Comparison between Current Year-to-date Ended 31 December 2014 and Previous Corresponding Year-to-date Ended 31 December 2013**

|                    | 12 Months Ended                   |                       |         |                                   |                       |         |
|--------------------|-----------------------------------|-----------------------|---------|-----------------------------------|-----------------------|---------|
|                    | 31.12.2014                        |                       |         | 31.12.2013                        |                       |         |
|                    | Technical<br>Assembly<br>Services | Precision<br>Cleaning | Total   | Technical<br>Assembly<br>Services | Precision<br>Cleaning | Total   |
|                    | RM'000                            | RM'000                | RM'000  | RM'000                            | RM'000                | RM'000  |
| Revenue            | -                                 | 33,818                | 33,818  | 5,973                             | 33,169                | 39,142  |
| Gross profit       | -                                 | 3,939                 | 3,939   | 926                               | 5,811                 | 6,737   |
| Loss before<br>tax |                                   |                       | (5,583) |                                   |                       | (2,958) |

Technical Assembly Services Division

There were no orders for the current year ended 31 December 2014.

Precision Cleaning Division

Although the revenue from Precision Cleaning for the current period remains about the same as compared with the preceding year corresponding period, the product mix is different for both periods. The gross profit margin decreased from 17.5% to 11.65% from financial year 2013 to 2014 mainly due to decrease in the higher margin Cleanroom Assembly services and Component washing in the current year as compared to the preceding year corresponding period.

Overall, the Group reported a loss before tax of RM5.583 million as compared to a loss before tax of RM2.958 million in the preceding year corresponding period.

16. **Material Changes in the Quarterly Results as Compared with the Immediate Preceding Quarter**

|                    | 3 Months Ended                    |                       |        |                                   |                       |        |
|--------------------|-----------------------------------|-----------------------|--------|-----------------------------------|-----------------------|--------|
|                    | 31.12.2014                        |                       |        | 30.09.2014                        |                       |        |
|                    | Technical<br>Assembly<br>Services | Precision<br>Cleaning | Total  | Technical<br>Assembly<br>Services | Precision<br>Cleaning | Total  |
|                    | RM'000                            | RM'000                | RM'000 | RM'000                            | RM'000                | RM'000 |
| Revenue            | -                                 | 9,115                 | 9,115  | -                                 | 9,075                 | 9,075  |
| Gross profit       | -                                 | 1,312                 | 1,312  | -                                 | 1,677                 | 1,677  |
| Loss before<br>tax |                                   |                       | (804)  |                                   |                       | (658)  |

Precision Cleaning Division

Precision Cleaning revenue in the current quarter is about the same as compared to the immediate preceding quarter. Loss before tax increased to RM0.804 million as compared with a RM0.658 million loss in the preceding quarter. This is mainly attributable to the slight increase in labour costs of approximately RM 0.17 million.

17. **Future Prospects**

Sales in our China facility increased by about 30% in 2014 as compared to 2013. We expect our China facility precision cleaning and the clean bulk packaging sales to continue to grow in 2015 and contribute positively to our Group future earnings.

18. **Variance of Profit Forecast and Shortfall in Profit Guarantee**

The Group has not issued any profit forecast or profit guarantee for the current financial quarter .

19. **Status of Corporate Proposals**

There is no corporate proposal announced but not completed as at the date of this report.

20. **Group Borrowings and Debt Securities**

The Group’s borrowings as at 31 December 2014 presented as follows:-

|                       | RM'000 |
|-----------------------|--------|
| Long Term Borrowings  |        |
| Unsecured:-           |        |
| Term loan             | 912    |
| Short Term Borrowings |        |
| Unsecured:-           |        |
| Term loan             | 445    |
| Secured:              |        |
| Factoring loan        | 2,906  |
|                       | 3,351  |

**MCLEAN TECHNOLOGIES BERHAD (“MCLEAN” OR THE COMPANY”)**  
**(Company No: 893631-T)**

The total borrowings denominated in foreign and local currency as at 31 December 2014 are: -

|  |                        |
|--|------------------------|
| Foreign currency – SGD 1,613,666 @ RM2.642/SGD | <b>RM’000</b><br>4,263 |
|--|------------------------|

**21. Realised and Unrealised Retained Profits**

|  | <b>Cumulative year<br/>to date ended<br/>31/12/2014<br/>RM’000</b> | <b>Cumulative year<br/>to date ended<br/>31/12/2013<br/>RM’000</b> |
|--|--|--|
| Total retained profits of the Group:                     |  |  |
| - Realised   | (4,678)  | 978  |
| - Unrealised   | 415  | 296  |
|  | <u>(4,263)</u>   | <u>1,274</u>   |
| Consolidated adjustments                                 | 2,665  | 2,711  |
| Total Group (accumulated losses)/ unappropriated profits | <b><u>(1,598)</u></b>  | <b><u>3,985</u></b>  |

**22. Off Balance Sheet Financial Instruments**

As at 31 December 2014, Group does not have any off balance sheet financial instrument.

**23. Material Litigation**

There was no pending material litigation from 1 January 2014 up to the date of this quarterly announcement.

**24. Dividend Payable**

There was no dividend payable or proposed during the current quarter ended 31 December 2014.

**25. (Loss)/ Earning Per Share**

**Basic**

The calculation of the basic LPS is based on the net loss divided by the weighted average number of ordinary shares of RM0.25 each in issue.

|  | <b>4th Quarter Ended</b> |                   | <b>Cumulative Quarter<br/>Ended</b> |                   |
|--|--------------------------|-------------------|-------------------------------------|-------------------|
|  | <b>31.12.2014</b>        | <b>31.12.2013</b> | <b>31.12.2014</b>                   | <b>31.12.2013</b> |
| Net loss for the year attributable to owners of the parent (RM’000)                                    | (804)                    | (755)             | (5,583)                             | (1,954)           |
| (Loss)/ profit from discontinued operations for the year attributable to owners of the parent (RM’000) | -                        | (141)             | -                                   | 353               |
| Loss from continuing operations for the year attributable to owners of the parent (RM’000)             | (804)                    | (614)             | (5,583)                             | (2,307)           |
| Weighted average number of ordinary shares in issue (’000)   | 117,400                  | 117,400           | 117,400                             | 117,400           |
| Basic LPS (sen)  | (0.68)                   | (0.64)            | (4.76)                              | (1.67)            |
| Basic-discontinued (sen)   | -                        | (0.12)            | -                                   | 0.30              |
| Basic-continuing operations (sen)  | (0.68)                   | (0.52)            | (4.76)                              | (1.97)            |

**Diluted**

The calculation of the diluted EPS is based on the net profit divided by the weighted average number of ordinary shares after adjustments for the effects of all dilutive potential ordinary shares of RM0.25 each arising from the exercise of 58,700,000 Warrants-in-issue .

|  | 4th Quarter Ended             |                               | Cumulative Quarter Ended      |                               |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|  | 31.12.2014                    | 31.12.2013                    | 31.12.2014                    | 31.12.2013                    |
| Weighted average number of ordinary shares in issue ('000) | 176,100                       | 176,100                       | 176,100                       | 176,100                       |
| Diluted EPS (sen)  | Not applicable <sup>(1)</sup> | Not applicable <sup>(1)</sup> | Not applicable <sup>(1)</sup> | Not applicable <sup>(1)</sup> |

*(1) Not applicable as, due to the losses, there is an anti-dilutive effect from the assumed exercise of the Warrants-in-issue.*

**26. Notes to the Condensed Consolidated Statements to Comprehensive Income**

Loss before tax is arrived at after charging/ (crediting) the following items:-

|  | <b>Current<br/>Quarter Ended<br/>31 December<br/>2014<br/>RM'000</b> | <b>Year-to-date<br/>Ended 31<br/>December 2014<br/>RM'000</b> |
|--|--|---|
| (a) Interest income  | (0.4)  | (4)   |
| (b) Other income including investment income                                 | (433)  | (646)   |
| (c) Interest expenses  | 32   | 83  |
| (d) Depreciation and amortisation  | 1,094  | 4,093   |
| (e) Provision for and write off of receivables                               | -  | -   |
| (f) Provision for and write off of inventories                               | -  | -   |
| (g) Gain or loss on disposal of quoted and unquoted investment or properties | -  | -   |
| (h) Impairment of assets   | -  | -   |
| (i) Foreign exchange gain  | (412)  | (433)   |
| (j) Gain or loss on derivatives  | -  | -   |
| (k) Plant, property & equipment written off                                  | 76   | 78  |
| (l) Loss on disposal of property, plant and equipment                        | -  | 12  |
| (m) Inventories written down   | 35   | 35  |