

GUH HOLDINGS BERHAD (Company No. 4104-W)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2012 RM '000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2011 RM '000 (Restated)	CURRENT YEAR TO DATE 31/12/2012 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2011 RM '000 (Restated)
Revenue	63,139	73,285	280,386	311,280
Operating expenses	(57,196)	(70,384)	(248,551)	(284,373)
Other operating income	3,659	5,856	6,997	9,294
Finance costs	(2)	(1)	(2)	(26)
Share of profit of associate	2,150	1,924	8,067	7,748
Profit before tax (Note 16)	11,750	10,680	46,897	43,923
Tax expense	(4,272)	(1,235)	(10,687)	(7,905)
Profit for the period/year	7,478	9,445	36,210	36,018
Profit for the period/year attributable to :				
Owners of the Company	7,379	9,445	36,111	36,018
Non-controlling interests	99	-	99	-
	7,478	9,445	36,210	36,018
Earnings per share (sen) :				
(a) Basic	4.19	5.03	19.85	18.57
(b) Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011)

GUH HOLDINGS BERHAD (Company No. 4104-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2012

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2012 RM '000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2011 RM '000 (Restated)	CURRENT YEAR TO DATE 31/12/2012 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2011 RM '000 (Restated)
Profit for the period/year	7,478	9,445	36,210	36,018
Other comprehensive income				
(Loss)/gain on available-for-sale financial assets	(13)	7,406	(5,505)	2,643
Reclassification adjustments on :				
- Derecognition of available-for-sale financial assets	-	-	658	(579)
- Impairment of available-for-sale financial assets	-	2,516	-	2,516
Currency translation differences for foreign operations	579	2,892	(4,165)	9,364
Other comprehensive income for the period/year	566	12,814	(9,012)	13,944
Total comprehensive income for the period/year	8,044	22,259	27,198	49,962
Total comprehensive income for the period/year attributable to :				
Owners of the Company	7,945	22,259	27,099	49,962
Non-controlling interests	99	-	99	-
	8,044	22,259	27,198	49,962

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011)

GUH HOLDINGS BERHAD (Company No. 4104-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012

	AS AT 31/12/2012 RM '000	AS AT 31/12/2011 RM '000 (Restated)
Non-Current Assets		
Property, Plant and Equipment	125,754	118,867
Investment Property	6,399	6,560
Goodwill	3,348	-
Investment in Associate	20,218	22,231
Available-for-sale Financial Assets	13,511	30,444
Investments in Club Memberships	140	276
Property Development Costs	49,601	41,679
Deferred Tax Assets	-	279
	<u>218,971</u>	<u>220,336</u>
Current Assets		
Property Development Costs	22,294	15,278
Accrued Billings	1,909	4,431
Amounts Due from Customers for Contract Work	703	-
Inventories	32,602	36,660
Trade and Other Receivables	51,624	65,029
Prepayments	1,267	2,894
Current Tax Assets	1,569	952
Cash and Cash Equivalents	160,286	142,562
	<u>272,254</u>	<u>267,806</u>
Current Liabilities		
Trade and Other Payables	57,795	63,583
Loans and Borrowings - Secured	54	-
Current Tax Liabilities	1,578	1,861
	<u>59,427</u>	<u>65,444</u>
Net Current Assets	212,827	202,362
Non-Current Liabilities		
Loans and Borrowings - Secured	63	-
Deferred Tax Liabilities	6,517	4,593
	<u>6,580</u>	<u>4,593</u>
Net Assets	<u>425,218</u>	<u>418,105</u>
Equity		
Share Capital	185,414	203,070
Treasury Shares	(12,058)	(18,968)
Reserves	249,352	234,003
Equity Attributable to Owners of the Company	<u>422,708</u>	<u>418,105</u>
Non-controlling Interests	2,510	-
Total Equity	<u>425,218</u>	<u>418,105</u>
Net Assets per Share Attributable to Owners of the Company (RM)		
	<u>2.40</u>	<u>2.23</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011)

GUH HOLDINGS BERHAD (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2012**

	← Non-Distributable →					Distributable *		Equity attributable to owners of the Company RM '000	Non-controlling interests RM '000	Total equity RM '000
	Share capital RM '000	Treasury shares RM '000	Capital redemption reserve RM '000	Revaluation surplus RM '000	Fair value reserve RM '000	Currency translation reserve RM '000	Retained profits RM '000			
At 01/01/2012										
- As previously reported	203,070	(18,968)	47,632	12,152	5,859	3,856	164,353	417,954	-	417,954
- Effects of adopting amendments to FRS 112	-	-	-	-	-	-	151	151	-	151
- As restated	203,070	(18,968)	47,632	12,152	5,859	3,856	164,504	418,105	-	418,105
Loss on available-for-sale financial assets	-	-	-	-	(5,505)	-	-	(5,505)	-	(5,505)
Reclassification adjustment on derecognition of available-for-sale financial assets	-	-	-	-	658	-	-	658	-	658
Currency translation differences for foreign operations	-	-	-	-	-	(4,165)	-	(4,165)	-	(4,165)
Other comprehensive income for the year	-	-	-	-	(4,847)	(4,165)	-	(9,012)	-	(9,012)
Profit for the year	-	-	-	-	-	-	36,111	36,111	99	36,210
Total comprehensive income for the year	-	-	-	-	(4,847)	(4,165)	36,111	27,099	99	27,198
Purchase of own shares	-	(14,348)	-	-	-	-	-	(14,348)	-	(14,348)
Interim dividend of 6.0 sen per share (less tax at 25%)	-	-	-	-	-	-	(8,148)	(8,148)	-	(8,148)
Total transactions with owners	-	(14,348)	-	-	-	-	(8,148)	(22,496)	-	(22,496)
Acquisition of subsidiary	-	-	-	-	-	-	-	-	2,411	2,411
Cancellation of treasury shares	(17,656)	21,258	17,656	-	-	-	(21,258)	-	-	-
At 31/12/2012	185,414	(12,058)	65,288	12,152	1,012	(309)	171,209	422,708	2,510	425,218

* Retained profits as at 31 December 2012 amounting to RM 12,058,000, being the total cost of the treasury shares purchased, were considered as non-distributable.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011)

GUH HOLDINGS BERHAD (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2012 (cont'd)**

	← Non-Distributable →					Distributable *		Equity attributable to owners of the Company RM '000	Non-controlling interests RM '000	Total equity RM '000
	Share capital RM '000	Treasury shares RM '000	Capital redemption reserve RM '000	Revaluation surplus RM '000	Fair value reserve RM '000	Currency translation reserve RM '000	Retained profits RM '000			
At 01/01/2011										
- As previously reported	203,070	(5,660)	47,632	12,526	1,279	(5,508)	136,553	389,892	-	389,892
- Effects of adopting amendments to FRS 112	-	-	-	-	-	-	144	144	-	144
- As restated	203,070	(5,660)	47,632	12,526	1,279	(5,508)	136,697	390,036	-	390,036
Gain on available-for-sale financial assets	-	-	-	-	2,643	-	-	2,643	-	2,643
Reclassification adjustments on:-										
- Derecognition of available-for-sale financial assets	-	-	-	-	(579)	-	-	(579)	-	(579)
- Impairment of available-for-sale financial assets	-	-	-	-	2,516	-	-	2,516	-	2,516
Currency translation differences for foreign operations	-	-	-	-	-	9,364	-	9,364	-	9,364
Other comprehensive income for the year	-	-	-	-	4,580	9,364	-	13,944	-	13,944
Profit for the year	-	-	-	-	-	-	36,018	36,018	-	36,018
Total comprehensive income for the year	-	-	-	-	4,580	9,364	36,018	49,962	-	49,962
Purchase of own shares	-	(13,308)	-	-	-	-	-	(13,308)	-	(13,308)
Interim dividend of 6.0 sen per share (less tax at 25%)	-	-	-	-	-	-	(8,585)	(8,585)	-	(8,585)
Total transactions with owners	-	(13,308)	-	-	-	-	(8,585)	(21,893)	-	(21,893)
Transfer of revaluation surplus	-	-	-	(374)	-	-	374	-	-	-
At 31/12/2011	203,070	(18,968)	47,632	12,152	5,859	3,856	164,504	418,105	-	418,105

* Retained profits as at 31 December 2011 amounting to RM 18,968,000, being the total cost of the treasury shares purchased, were considered as non-distributable.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2012**

	YEAR TO DATE 31/12/2012 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2011 RM '000
Cash flows from operating activities		
Profit before tax	46,897	43,923
Adjustments for :		
Allowance for slow moving inventories	154	187
Deposit written off	4	-
Depreciation	12,409	12,282
Dividend income	(10,519)	(364)
Gain on disposal of assets held for sale	-	(4,685)
Gain on disposal of investment property	(379)	-
Gain on fair value adjustment of investment property	(2,669)	(90)
Impairment loss on available-for-sale financial assets	-	2,516
Impairment loss on loans and receivables	11	-
Interest expense	2	26
Interest income	(4,858)	(2,693)
Loss/(gain) on derecognition of available-for-sale financial assets	549	(579)
Loss/(gain) on disposal of property, plant and equipment	118	(261)
Property, plant and equipment written off	689	155
Reversal of allowance for slowing moving inventories	(96)	(1,529)
Reversal of impairment loss on loans and receivables	-	(1)
Share of profit of associate	(8,067)	(7,748)
Unrealised loss/(gain) on foreign exchange	157	(336)
	<hr/>	<hr/>
Operating profit before working capital changes	34,402	40,803
Changes in :		
Property development costs	(14,938)	(1,920)
Accrued billings	2,522	5,032
Amounts due from customers for contract work	(993)	-
Inventories	4,000	2,789
Receivables and prepayments	17,469	9,087
Payables	(7,062)	3,825
Financial instruments at fair value through profit or loss	-	(30)
Cash generated from operations	<hr/>	<hr/>
	35,400	59,586
Interest paid	(2)	(26)
Tax paid	(7,082)	(6,693)
Tax refunded	226	264
	<hr/>	<hr/>
	(6,858)	(6,455)
Net cash from operating activities	<hr/>	<hr/>
	28,542	53,131
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	(1,978)	-
Dividends received	17,093	9,307
Interest received	4,858	2,693
Proceeds from disposal of assets held for sale	-	22,456
Proceeds from disposal of available-for-sale financial assets	17,814	12,818
Proceeds from disposal of investment property	3,209	-
Proceeds from disposal of investments in club memberships	134	-
Proceeds from disposal of property, plant and equipment	207	288
Purchase of available-for-sale financial assets	(6,277)	(13,028)
Purchase of property, plant and equipment	(21,292)	(12,189)
Net cash from investing activities	<hr/>	<hr/>
	13,768	22,345
Cash flows from financing activities		
Dividend paid	(8,148)	(8,585)
Proceeds from loans and borrowings	-	7,021
Purchase of own shares	(14,348)	(13,308)
Repayment of loans and borrowings	(18)	(8,347)
Net cash used in financing activities	<hr/>	<hr/>
	(22,514)	(23,219)
Currency translation differences	(2,072)	5,456
	<hr/>	<hr/>
Net increase in cash and cash equivalents	17,724	57,713
Cash and cash equivalents at beginning of the year	<hr/>	<hr/>
	142,562	84,849
Cash and cash equivalents at end of the year	<hr/>	<hr/>
	160,286	142,562

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011)

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

1. Basis of Preparation

The interim financial report has been prepared in accordance with requirements of FRS 134 : "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2011.

The same accounting policies and methods of computation are followed in the interim financial report as compared with the annual financial statements for the year ended 31 December 2011 except for the adoption of the following Financial Reporting Standards ("FRS"), amendments to FRSs and IC Interpretations:

<u>FRS/IC Interpretations</u>	<u>Effective for financial periods beginning on or after</u>
Amendments to FRS 1 <i>Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i>	1 January 2012
Amendments to FRS 7 <i>Disclosures - Transfers of Financial Assets</i>	1 January 2012
Amendments to FRS 112 <i>Deferred Tax: Recovery of Underlying Assets</i>	1 January 2012
Amendments to IC Interpretation 14 <i>Prepayments of a Minimum Funding Requirement</i>	1 July 2011
FRS 124 <i>Related Party Disclosures</i> (revised in 2010)	1 January 2012
IC Interpretation 19 <i>Extinguishing Financial Liabilities with Equity Instruments</i>	1 July 2011

The above FRSs, amendments to FRSs and IC Interpretations did not have any significant impacts on the financial statements of the Group except as follows:

Amendments to FRS 112 *Deferred Tax: Recovery of Underlying Assets*

The amendments to FRS 112 provide a practical approach for measuring deferred tax by introducing a rebuttable presumption that the carrying amount of investment property stated at fair value will be recovered entirely through sale. Accordingly, the measurement of deferred tax shall reflect the tax consequences of recovering the carrying amount of the investment property entirely through sale. The adoption of these amendments has the following financial impacts:

	Group	
	Increase/ (Decrease) in Balance at 01/01/2011 RM'000	Increase/ (Decrease) in Balance at 31/12/2011 RM'000
Deferred tax liabilities	(144)	(151)
Retained profits	144	151

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") framework. The MFRS framework is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 *Agriculture* and/or IC Interpretation 15 *Agreements for Construction of Real Estate*, including their parents, significant investors and ventures ("Transitioning Entities"). Further to MASB announcement on 30 June 2012, Transitioning Entities will be allowed to defer the adoption of the new MFRS framework to annual periods beginning on or after 1 January 2014.

Being a Transitioning Entity as defined above, the Group has elected to continue preparing its financial statements in accordance with the existing FRS framework for the financial year ended 31 December 2012 and financial year ending 31 December 2013. The Group will first adopt the MFRS framework for the financial year ending 31 December 2014.

2. Audit Report

The preceding annual financial statements of the Group were reported on without any qualification.

3. Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current year quarter and year ended 31 December 2012.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

5. Changes in Estimates

There were no changes in the estimates that have a material effect in the current year quarter and year ended 31 December 2012.

6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except for the following :

During the current year quarter, the Company purchased 1,436,700 ordinary shares of its issued share capital from the open market for a total consideration of approximately RM 1.9 million at an average cost of RM 1.34 per share. During the current year to date, a total of 10,912,500 ordinary shares were purchased from the open market for a total consideration of RM 14.3 million. The shares purchased were financed by internally generated funds and are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

On 13 April 2012, 17,655,900 treasury shares were cancelled and an amount equivalent to their nominal value was transferred to the capital redemption reserve in accordance with the requirements of Section 67A of the Companies Act, 1965. The total cost of the treasury shares cancelled amounting to RM 21.3 million was debited against the retained profits.

7. Dividend Paid

On 13 August 2012, the Board of Directors proposed for an interim dividend of 6.0 sen per share (less tax at 25%) for the financial year ended 31 December 2012. The dividend was paid on 18 September 2012 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 5 September 2012.

8. Segmental Reporting

Analysis by activity	Manufacture of Printed Circuit Boards RM '000	Property Development RM '000	Sales of Electrical Appliances RM '000	Cultivation of Oil Palm RM '000	Water and Waste Water Treatment RM '000	Unallocated Non-Operating Segments RM '000	Group RM '000
Revenue							
Total revenue	222,927	33,782	7,585	2,176	2,002	20,422	288,894
Intersegment revenue	-	-	(11)	-	-	(8,497)	(8,508)
External revenue	222,927	33,782	7,574	2,176	2,002	11,925	280,386
Results							
Segment results	11,043	11,163	236	1,180	136	10,216	33,974
Interest income	2,863	652	47	-	36	1,260	4,858
Interest expense	-	-	-	-	(2)	-	(2)
Share of profit of associate	-	-	-	-	-	8,067	8,067
Profit before tax	13,906	11,815	283	1,180	170	19,543	46,897
Tax expense	(2,140)	(5,493)	(51)	(298)	(87)	(2,618)	(10,687)
Profit for the year	11,766	6,322	232	882	83	16,925	36,210
Assets							
Segment assets	265,489	116,782	4,796	843	12,576	68,952	469,438
Associate	-	-	-	-	-	20,218	20,218
Income tax assets	739	298	51	-	41	440	1,569
Total assets	266,228	117,080	4,847	843	12,617	89,610	491,225

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

9. **Subsequent Material Events**

There were no material events subsequent to the end of the reporting period that have not been reflected in the financial statements.

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

There were no changes in the composition of the Group during the year ended 31 December 2012 other than:

On 16 January 2012, the Company announced the incorporation of a wholly-owned sub-subsidiary known as GUH Water (Gaochun) Company Limited ("GUH Gaochun") in the People's Republic of China on 13 January 2012 to facilitate the direct negotiation of a build-operate-transfer agreement between GUH Water (Jiangsu) Private Limited ("GUH JS") and the Development General Company of Jiangsu Gaochun Economic Development Zone. GUH Gaochun will be principally involved in the water operations and treatment.

As at the date of incorporation, there is no paid-up capital. Upon GUH Gaochun signing the Proposed Water Treatment Project contract with the Development General Company of Jiangsu Gaochun Economic Development Zone, GUH JS will then proceed to subscribe up to USD20.0 million in GUH Gaochun (being the new issued and paid-up capital of GUH Gaochun). However, GUH JS may subscribe less than USD20.0 million in the issued and paid-up capital of GUH Gaochun in the event that; (i) the actual project cost is less than the projected cost; and/or (ii) GUH Gaochun is able to secure bank borrowings to partly finance the construction of the water treatment plant under the Proposed Water Treatment Project. GUH JS is a wholly-owned subsidiary of GUH Water Holdings Sdn. Bhd., which in turn is, a wholly-owned subsidiary of GUH. The incorporation of GUH Gaochun did not have a material effect on the earnings or net assets of the Group for the financial year ended 31 December 2012.

On 14 September 2012, the Company announced that its wholly-owned subsidiary, namely GUH Water Holdings Sdn. Bhd. has completed the acquisition of 700,000 ordinary shares of RM1.00 each, representing 70% of the issued and fully paid-up share capital of Teknoserv Engineering Sdn. Bhd. ("Teknoserv") for a total purchase consideration of RM8,972,473. Teknoserv is principally engaged in the business of project management and contractors for installation of water and waste water treatment plant.

11. **Contingent Liabilities or Contingent Assets**

The Group has no contingent liabilities and contingent assets as at the end of the current year quarter or last annual reporting date.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

12. Review of the Performance

Operating Segment	Current Year Quarter 31/12/2012	Preceding Year Corresponding Quarter 31/12/2011	Current Year To Date 31/12/2012	Preceding Year Corresponding Period 31/12/2011
	RM '000	RM '000	RM '000	RM '000
Revenue				
Manufacture of printed circuit boards	46,109	65,237	222,927	267,635
Property development	12,239	5,496	33,782	32,598
Sales of electrical appliances	1,958	1,989	7,574	7,675
Cultivation of oil palm	345	291	2,176	2,143
Water and waste water treatment	2,002	-	2,002	-
Unallocated non-operating segments	486	272	11,925	1,229
Total	63,139	73,285	280,386	311,280
Profit/(loss) before tax				
Manufacture of printed circuit boards	2,234	6,270	13,906	24,245
Property development	4,596	1,310	11,815	10,876
Sales of electrical appliances	(11)	4,410	283	4,232
Cultivation of oil palm	65	47	1,180	1,179
Water and waste water treatment	323	(22)	170	(421)
Unallocated non-operating segments	4,543	(1,335)	19,543	3,812
Total	11,750	10,680	46,897	43,923

a) Current Year Quarter vs Previous Year Corresponding Quarter

The Group's profit before tax of RM 11.8 million for the current year quarter ended 31 December 2012 was RM 1.1 million higher than the profit before tax of RM 10.7 million for the previous year corresponding quarter mainly due to improved contribution from Property Division.

Detailed analysis of the performance of the Group's operating segments for the current year quarter ended 31 December 2012 compared to the previous year corresponding quarter is as follows:

i) Manufacture of printed circuit boards

Profit before tax decreased to RM 2.2 million from RM 6.3 million in line with the drastic drop in revenue due to China and Japan dispute over Diaoyu/Senkaku islands and weak global demand for electronic products.

ii) Property development

Profit before tax surged to RM 4.6 million from RM 1.3 million as a result of more property units sold with higher percentage of completion.

iii) Sales of electrical appliances

Minimal loss of RM 0.01 million was incurred for the current year quarter and the profit before tax of RM 4.4 million was mainly due to gain on disposal of property, plant and equipment of RM 4.3 million in the last quarter of 2011.

iv) Cultivation of oil palm

Profit before tax increased to RM 0.07 million from RM 0.05 million in line with higher FFB production boosted by favourable weather conditions.

v) Water and waste water treatment

Profit before tax of RM 0.3 million for the current year quarter was mainly contributed by Teknoserv, a 70% owned subsidiary acquired in September 2012.

vi) Unallocated non-operating segments

Profit before tax was RM 4.5 million for the current year quarter against a loss of RM 1.3 million mainly attributed to gain on fair value adjustment of investment property of RM 2.7 million and excluding the impact of impairment loss on available-for-sale financial assets of RM 2.5 million in the last quarter of 2011.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

12. Review of the Performance (cont'd)

b) Current Year-to-date vs Previous Year-to-date

For the year ended 31 December 2012, the Group recorded a higher profit before tax of RM 46.9 million compared to RM 43.9 million for the previous year mainly driven by higher dividend income from available-for-sale financial assets of RM 10.2 million and gain on fair value adjustment of investment property of RM 2.7 million which were partially offset by the decline in performance from Electronic Division.

Detailed analysis of the performance of the Group's operating segments for the year ended 31 December 2012 compared to the previous year is as follows:

i) Manufacture of printed circuit boards

Profit before tax decreased to RM 13.9 million from RM 24.2 million in line with the slump in revenue amid global economic uncertainties and higher operating costs on lack of economies of scale.

ii) Property development

Profit before tax increased to RM 11.8 million from RM 10.9 million as a consequence of the sales of shop offices with higher margin.

iii) Sales of electrical appliances

Profit before tax fell to RM 0.3 million from RM 4.2 million mainly due to gain on disposal of property, plant and equipment of RM 4.3 million in the last quarter of 2011.

iv) Cultivation of oil palm

Profit before tax remained at RM 1.2 million compared to 2011.

v) Water and waste water treatment

Profit before tax of RM 0.2 million against a loss of RM 0.4 million last year was mainly due to positive contribution from Teknoserv, a 70% owned subsidiary acquired in September 2012.

vi) Unallocated non-operating segments

Profit before tax jumped to RM 19.5 million from RM 3.8 million mainly due to higher dividend income from available-for-sale financial assets of RM 10.2 million, gain on fair value adjustment of investment property of RM 2.7 million and excluding the impact of impairment loss on available-for-sale financial assets of RM 2.5 million in the last quarter of 2011.

13. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

As compared to the preceding quarter, the Group's profit before tax improved to RM 11.8 million (Q3'12: RM 7.6 million) mainly due to gain on fair value adjustment of investment property of RM 2.7 million and higher contribution from Property Division.

14. Prospects for 2013

Electronic Division envisages the demand for electronic products to remain sluggish amid the unresolved Eurozone crisis, slowdown in US economy and China-Japan dispute over Diaoyu/Senkaku islands.

Property Division foresees competitive property market in Seremban and cautions that the increase in real property gains tax coupled with the tightening of loan financing will continue to have an impact on its performance.

Electrical Division anticipates a modest growth buoyed by local consumption in 2013.

Plantation Division predicts a positive outlook for palm oil sector with the implementation of reduced export duty on CPO and abolishment of duty-free CPO export quota effective January 2013.

Water and Waste Water Treatment Division forecasts an improved contribution to the Group with concerted efforts to explore and secure more water and waste water projects in Malaysia, China and South East Asia.

In view of the tough business operating environment, the Group expects a minimal growth in performance for 2013.

15. Variance from Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in a public document.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

16. Profit Before Tax

	Current Year Quarter 31/12/2012 RM'000	Current Year To Date 31/12/2012 RM'000
Profit before tax is arrived at after charging :		
- Interest expense	2	2
- Depreciation	3,278	12,409
- Impairment loss on loans and receivables	11	11
- Allowance for slow moving inventories	59	154
- Inventories written off	-	-
- Deposit written off	4	4
- Loss on disposal of property, plant and equipment	-	118
- Loss on foreign exchange - realised	-	171
- Loss on foreign exchange - unrealised	55	157
- Loss on derecognition of available-for-sale financial assets	-	549
- Loss on financial instruments at fair value through profit or loss	-	7
- Impairment loss on available-for-sale financial assets	-	-
- Property, plant and equipment written off	27	689
- Exceptional items	-	-
and crediting :		
- Interest income	1,113	4,858
- Dividend income	191	10,519
- Gain on disposal of property, plant and equipment	2	-
- Gain on disposal of investment property	-	379
- Gain on fair value adjustment of investment property	2,669	2,669
- Gain on foreign exchange - realised	5	-

17. Taxation

Taxation comprises :

	Current Year Quarter 31/12/2012 RM '000	Current Year To Date 31/12/2012 RM '000
Income tax	(1,962)	(8,488)
Deferred tax	(2,310)	(2,194)
Real Property Gains Tax	-	(5)
	<u>(4,272)</u>	<u>(10,687)</u>

The Group's effective tax rates differ from the statutory tax rate mainly because :

- (i) certain income and expenses which are not taxable and allowable;
- (ii) the utilisation of reinvestment allowances, unabsorbed tax losses and unabsorbed capital allowances by certain subsidiaries; and
- (iii) different tax rates in other countries.

18. Status of Corporate Proposals

There were no corporate proposals as at the date of this announcement.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

19. **Group Borrowings and Debt Securities**

Group borrowings and debt securities as at 31 December 2012

	RM '000
Secured	117
Unsecured	-
(a) Total	117
Short term	54
Long term	63
(b) Total	117
Ringgit Malaysia	117
Foreign currency	-
(c) Total	117

20. **Financial Instruments**

a) Derivatives

There were no outstanding derivatives as at 31 December 2012.

b) Gains/(Losses) Arising from Fair Value Changes of Financial Liabilities

There were no gains/(losses) arising from fair value changes of financial liabilities for the current year quarter and year ended 31 December 2012.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

21. Breakdown of Realised and Unrealised Profits or Losses of the Group

The breakdown of the retained profits of the Group as at 31 December 2012, into realised and unrealised profits, pursuant to the directive of Bursa Malaysia Securities Berhad, is as follows :

	As at 31/12/2012 RM'000	As at 31/12/2011 RM'000 (Restated)
Total retained profits of the Company and its subsidiaries :		
- Realised	235,114	214,574
- Unrealised	2,253	5,345
	237,367	219,919
Total share of retained profits of associate :		
- Realised	16,391	17,474
- Unrealised	-	-
	253,758	237,393
Consolidation adjustments and eliminations	(82,549)	(72,889)
Total retained profits as per statement of financial position	171,209	164,504

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

22. Material Litigation

There was no material litigation against the Group as at 31 December 2012.

23. Earnings Per Share

	Current Year Quarter 31/12/2012	Current Year To Date 31/12/2012
Profit attributable to owners of the Company (RM '000)	7,379	36,111
Number of ordinary shares in issue at the beginning of the period ('000)	177,729	187,206
Effect of shares purchased ('000)	(1,437)	(5,308)
Weighted average number of ordinary shares in issue ('000)	176,292	181,898
Basic earnings per share (sen)	4.19	19.85

Diluted earnings per share are not presented as there are no dilutive potential ordinary shares in the current year quarter and year ended 31 December 2012.

24. Authorisation for Issue

The Board of Directors authorised the issue of this unaudited interim financial report on 19 February 2013.