

HYTEX INTEGRATED BERHAD

Quarterly report on results for the 3rd quarter ended 31 December 2013. The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 31/12/13 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/12 RM'000	CURRENT YEAR TO DATE 31/12/13 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/12 RM'000
REVENUE		9,520	16,586	32,333	43,564
COST OF SALES		(5,397)	(7,252)	(19,349)	(26,892)
GROSS PROFIT		4,123	9,334	12,984	16,672
OPERATING EXPENSES		(3,806)	(7,100)	(13,262)	(18,062)
OPERATING PROFIT/(LOSS)		317	2,234	(278)	(1,390)
FINANCE COSTS		(3,532)	(3,182)	(8,304)	(8,169)
LOSS BEFORE TAXATION		(3,215)	(948)	(8,582)	(9,559)
TAXATION	B5	-	-	-	-
NET LOSS FOR THE PERIOD		(3,215)	(948)	(8,582)	(9,559)
OTHER COMPREHENSIVE LOSS FOREIGN CURRENCY EXCHANGE DIFFERENCES ARISING FROM CONSOLIDATION		(703)	(5,807)	(1,305)	(1,834)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(3,918)	(6,755)	(9,887)	(11,393)
LOSS ATTRIBUTABLE TO : OWNERS OF THE PARENT NON-CONTROLLING INTERESTS		(3,215)	(948)	(8,582)	(9,559)
		(3,215)	(948)	(8,582)	(9,559)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO : OWNERS OF THE PARENT NON-CONTROLLING INTERESTS		(3,918)	(6,755)	(9,887)	(11,393)
		(3,918)	(6,755)	(9,887)	(11,393)
EARNING PER SHARE - basic (sen)		(2.14)	(0.63)	(5.72)	(6.37)

(The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 March 2013)

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	AS OF END OF CURRENT QUARTER 31/12/13 RM'000	AS OF PRECEDING FINANCIAL YEAR END 31/03/13 RM'000
ASSETS			
Non-current assets			
PROPERTY, PLANT AND EQUIPMENT		147,720	148,914
CAPITAL WORK-IN-PROGRESS		-	1,013
OTHER INVESTMENTS		-	-
		147,720	149,927
Current assets			
INVENTORIES	A15	69,289	70,342
TRADE AND OTHER RECEIVABLES		31,509	32,752
CASH AND BANK BALANCES		1,545	255
		102,343	103,349
TOTAL ASSETS		250,063	253,276
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company :			
SHARE CAPITAL		75,000	75,000
RESERVES		(46,809)	(36,922)
TOTAL EQUITY		28,191	38,078
Non-current liabilities			
LONG TERM BORROWINGS	B7	29,382	29,465
DEFERRED TAXATION		7,953	7,953
		37,335	37,418
Current liabilities			
TRADE AND OTHER PAYABLES		46,516	40,421
BANK OVERDRAFT		-	764
SHORT TERM BORROWINGS	B7	137,208	135,779
TAX PAYABLE		813	816
		184,537	177,780
TOTAL LIABILITIES		221,872	215,198
TOTAL EQUITY AND LIABILITIES		250,063	253,276
NET ASSETS PER SHARE (RM)		0.19	0.25

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2013)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	NON-DISTRIBUTABLE					TOTAL EQUITY RM'000
		SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	EQUITY COMPONENT OF LOAN STOCK RM'000	ASSET REVALUATION RESERVE RM'000	FOREIGN CURRENCY TRANSLATION RESERVE RM'000	
As of 1 April 2013		75,000	10,365	7,133	71,170	1,954	38,078
Total comprehensive loss for the financial year		-	-	-	-	(1,305)	(9,887)
As of 31 December 2013		75,000	10,365	7,133	71,170	649	28,191
As of 1 April 2012		75,000	10,365	7,133	71,170	(4,040)	52,398
Total comprehensive loss for the financial year		-	-	-	-	(5,060)	(14,619)
As of 31 December 2012		75,000	10,365	7,133	71,170	(9,100)	37,779

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 March 2013)

HYTEX INTEGRATED BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended 31/12/13 RM'000	9 months ended 31/12/12 RM'000
NET CASH FROM OPERATING ACTIVITIES	9,362	6,846
NET CASH FROM INVESTING ACTIVITIES	-	344
NET CASH USED IN FINANCING ACTIVITIES	(15)	(1,050)
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>9,347</u>	<u>6,140</u>
EFFECT OF EXCHANGE DIFFERENCES	(7,294)	(6,422)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	(508)	603
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>1,545</u>	<u>321</u>

CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD COMPRISE THE FOLLOWING:

	As of 31/12/13 RM'000	As of 31/12/12 RM'000
CASH AND BANK BALANCES	1,545	321
BANK OVERDRAFTS	-	-
	<u>1,545</u>	<u>321</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2013)

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A NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report has been prepared in accordance with the requirements of MFRS 134 : Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and comply with applicable approved accounting standards issued by Malaysian Accounting Standards Board.

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

A2. Auditors' report on preceding annual financial statements

The auditors' report on the audited financial statements for the financial year ended 31 March 2013 contained a disclaimer of opinion on the audited financial statements due to the following:

(i) the Group incurred a net loss of RM20,313,955 during the financial year and, as of 31 March 2013, the net current liabilities exceeded its current assets by RM74,430,677 and the Group had recorded accumulated losses of RM127,544,110. On 3 June 2013, the Company had triggered the prescribed criteria pursuant to Practice Note 17 of the Listing Requirements of Bursa Malaysia Securities Berhad for the Main Market ("PN17") and is required to submit a regularisation plan to the relevant authorities by 2 June 2014, or the Company may face de-listing. As of the date of the audit report, the Company has not submitted a regularisation plan to address its PN17 status. The Group has also defaulted in payment pursuant to Practice Note 1 of the Listing Requirements of Bursa Malaysia Securities Berhad for the Main Market. In view of the above, there are material uncertainties which may cast significant doubt on the ability of the Group to continue as a going concern;

(ii) despite existence of indication that the property, plant and equipment of the subsidiary company, Hytex Apparels Sdn. Bhd., may be impaired due to the significant decline in the revenue and increase in operating loss, the subsidiary company had not make an estimation of the recoverable amount of the property, plant and equipment pursuant to paragraph 9 of the Malaysian Financial Reporting Standard 136, Impairment of Assets. There was no profit or cash flow projection for an appropriate period subsequent to the financial year ended 31 March 2013 to determine its value in use, so as to determine the financial impact of impairment of property, plant and equipment of the subsidiary company, if any. Hence, the auditors were unable to carry out appropriate audit procedures to obtain sufficient and appropriate audit evidence over the estimation of possible impairment;

(iii) the auditors were unable to determine the financial impact of the subsidiaries held under the wholly owned subsidiary, Nicetex Ltd namely, Hytex Integrated (Suzhou) Co. Ltd., WOB (Suzhou) Co. Ltd. and Suzhou Hytex Apparels Co. Ltd. due to some information not received from the said subsidiaries. As at the date of the auditors' report, the auditors did not receive the Group Audit Questionnaire and the reconciliation between Principles for Business Accounting and System for Business Accounting in Republic of China and Malaysian Financial Reporting Standard from the subsidiaries. Hence, the auditors were unable to determine the financial impact to the Group. As such, they could not determine the effect of adjustments, if any, on the financial position of the Group as at 31 March 2013, or on its financial performance for the financial year then ended;

(iv) as at 31 March 2013, the carrying value of inventory of the subsidiary companies namely, Hytex Apparels Sdn. Bhd., Hytex Garments Sdn. Bhd. and Leading Textiles Sdn. Bhd. amounted to RM38,078,055, RM11,884,250 and RM9,603,081 respectively. However, the auditors were unable to carry out appropriate audit procedures to obtain sufficient and appropriate audit evidence over the estimation of possible impairment and written down value;

(v) the auditors were also unable to determine the effect of the adjustments, if any, on the financial impact of impairment of the investment in subsidiaries of the Company namely, Hytex Apparels Sdn. Bhd., Hytex Garments Sdn. Bhd. and Leading Textiles Sdn. Bhd. with a carrying amount of RM32,921,643, RM20,994,525 and RM2,761,778 as at 31 March 2013; and

(vi) the auditors were unable to ascertain the status of the claims and material litigations taken against the Group including the extent of the completeness of the recorded liabilities, contingent liabilities and the necessary disclosures of the Group as the legal files is not available to them.

A3. Segmental Information

By business segments - 9 months ended 31 December 2013

	Investment holding RM'000	Manufacturing RM'000	Trading RM'000	Elimination RM'000	Consolidated RM'000
Segment Revenue	-	13,559	19,828	(1,052)	32,333
Segment Result - (Loss)/Profit	(757)	(5,878)	6,357	-	(278)
Interest income	-	-	-	-	-
Finance costs	(4,256)	(3,443)	(605)	-	(8,304)
(Loss)/Profit before taxation	(5,013)	(9,321)	5,752	-	(8,582)
Taxation	-	-	-	-	-
(Loss)/Profit before taxation	(5,013)	(9,321)	5,752	-	(8,582)
Assets					
Segment assets	57	227,951	22,055	-	250,063

By business segments - 9 months ended 31 December 2012

Segment Revenue	-	27,812	22,772	(7,020)	43,564
Segment Result - (Loss)/Profit	(387)	(2,888)	1,885	-	(1,390)
Interest income	-	-	-	-	-
Finance costs	(3,057)	(4,262)	(850)	-	(8,169)
(Loss)/Profit before taxation	(3,444)	(7,150)	1,035	-	(9,559)
Taxation	-	-	-	-	-
(Loss)/Profit before taxation	(3,444)	(7,150)	1,035	-	(9,559)
Assets					
Segment assets	55	171,278	81,943	-	253,276

By business segments - 3 months ended 31 December 2013

	Investment RM'000	Manufacturing RM'000	Trading RM'000	Elimination RM'000	Consolidated RM'000
Segment Revenue	-	5,248	4,274	-	9,520
Segment Result - (Loss)/Profit	(341)	(986)	1,624	-	317
Interest income	-	-	-	-	-
Finance costs	(2,132)	(1,200)	(200)	-	(3,532)
(Loss)/Profit before taxation	(2,473)	(2,166)	1,424	-	(3,215)
Taxation	-	-	-	-	-
(Loss)/Profit before taxation	(2,473)	(2,166)	1,424	-	(3,215)
Assets					
Segment assets	(8)	(5,392)	634	-	(4,764)

By business segments - 3 months ended 31 December 2012

Segment Revenue	-	10,202	7,648	(1,264)	16,586
Segment Result - (Loss)/Profit	(177)	1,266	1,145	-	2,234
Interest Income	-	-	-	-	-
Finance costs	(1,055)	(1,515)	(612)	-	(3,182)
(Loss)/Profit before taxation	(1,232)	(249)	533	-	(948)
Taxation	-	-	-	-	-
(Loss)/Profit before taxation	(1,232)	(249)	533	-	(948)
Assets					
Segment assets	1	1,503	1,067	-	2,571

A4. Unusual Items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 December 2013.

A5. Changes in estimates

There were no other changes in estimates that have a material effect in the current quarter results.

A6. Seasonal or cyclical factors

Other than the factors stated above in A3 & A4, the Group's operations for the current quarter were not affected by any other seasonal or cyclical factors.

A7. Dividend paid

No dividend has been paid during the current quarter under review.

A8. Valuation of property, plant and equipment

The property, plant and equipment are stated at cost or valuation and have been brought forward without amendments from the previous annual financial statements ended 31 March 2013. No valuation has been carried out since then.

A9. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review other than as stated in note B7.

A10. Changes in the composition of the Group

There were no material changes in the composition of the Group for the quarter under review.

A11. Discontinued operation

Not applicable.

A12. Capital commitments

As of 31 December 2013, the Group has commitments as follows:

	RM'000
Royalty commitments in respect of licensed products	1,517
Non-cancellable rental commitments	959
	<u>2,476</u>

A13. Changes in contingent liabilities or contingent assets

The contingent liabilities of the Company as at 31 December 2013 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) are in respect of :

RM'000

Bank guarantees extended to non-related third parties
Corporate guarantees extended to non-related third parties

738
<u>24,776</u>
<u>25,514</u>

A14. Subsequent events

As at the date of this report, there was no material events subsequent to the balance sheet date that affects the results of the Group for the financial year to date.

A15. Inventories

As at 31 December 2013, the Group has not made any provision for obsolete stock of finished goods.

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES

B1. Review of performance of the Company and its principal subsidiaries - Current Quarter/Preceding Year Corresponding Quarter

Year to date

For the current period ended 31 December 2013, the Group recorded a revenue of RM 32.33 million as compared to RM43.56 million in the preceding financial year corresponding period ended 31 December 2012 mainly due to the lower of sale order and boutique sales during the period in review.

Despite the improved margins, the gross profit generated for the period ended 31 December 2013 had decreased by RM3.69 million to RM12.98 million as compared to the gross profit for the preceding year corresponding period ended 31 December 2012 due to lower cost of sale. The after-tax losses had decreased to RM8.58 million in the current period ended 31 December 2013 as compared to RM9.56 million in the preceding year period ended 31 December 2012 which represent a increase of 10.25% due mainly to lower cost of sales.

Investment Holdings: No income was generated from investment holdings. The net loss for the current period ended 31 December 2013 of RM5.01 million represents a increase as compared to the net loss of RM3.44 million in the preceding year corresponding period ended 31 December 2012. The main reason for the increase in net loss is due mainly to higher operation expenses and finance costs. The net loss after taxation is arising from operating expenses coupled with interest expenses incurred for the borrowings. Interest expenses amounted to RM 4.26 million for the current period ended 31 December 2013 as compared to RM 3.06 million in the preceding year corresponding period ended 31 December 2012.

Manufacturing: Revenue for the current period ended 31 December 2013 amounted to RM13.56 million as compared to RM27.81 million in the preceding year corresponding period ended 31 December 2012. The decrease in revenue was due to continued lower orders from overseas. The Group recorded a net loss of RM9.32 million in the current period ended 31 December 2013 as compared to a net loss of RM7.15 million in the preceding year corresponding period ended 31 December 2012 due to higher operation expenses incurred for the current period.

Trading: Revenue for the current period ended 31 December 2013 amounted to RM19.83 million as compared to RM22.77 million in the preceding year corresponding period ended 31 December 2012 due to decrease in retail sales during the period. The division recorded a net profit of RM5.75 million in the current period ended 31 December 2013 as compared to a net profit of RM1.04 million in the preceding year corresponding period ended 31 December 2012. The increased in net profit is due to the lower cost of sales in respect to the purchase of in-house brand products.

Quarter to preceding year corresponding quarter

For the current quarter ended 31 December 2013, the Group recorded a revenue of RM9.52 million as compared to RM16.59 million in the preceding financial year corresponding quarter ended 31 December 2012 mainly due to decrease in sale order and boutique sales during the quarter review.

The Group after-tax losses had increased to RM3.22 million in the current quarter from RM0.95 million in the preceding year corresponding quarter which represent a reduction of 238.95% due mainly to higher operation costs coupled with lower sale order. The gross profit generated had decreased to RM4.12 million from RM9.33 million due to an decrease in revenue generated.

Investment Holdings: No income were generated from investment holdings. The net loss for the current quarter ended 31 December 2013 is RM2.47 million as compared to RM1.23 million in the preceding year corresponding quarter ended 31 December 2012. The net loss after taxation is arising from operating expenses. Interest expenses amounted to RM2.13 million for the current quarter ended 31 December 2013 as compared to RM1.06 million in the preceding year corresponding quarter ended 31 December 2012.

Manufacturing: Turnover for the current quarter ended 31 December 2013 amounted to RM5.25 million as compared to RM10.20 million in the preceding quarter corresponding quarter ended 31 December 2012. The decrease in turnover was due to continued lower orders from overseas. The Group recorded a net loss of RM2.17 million in the current quarter ended 31 December 2013 as compared to a net loss of RM0.25 million in the preceding year corresponding quarter 31 December 2012 due to higher cost of sales incurred for the current quarter.

Trading: Turnover for the current quarter ended 31 December 2013 amounted to RM4.27 million as compared to RM7.65 million in the preceding year corresponding quarter ended 31 December 2012. The division recorded a net profit of RM1.42 million in the current quarter ended 31 December 2013 as compared to a net profit of RM1.46 million in the preceding year corresponding quarter ended 31 December 2012. The decreased in turnover was due to decrease in retail sales of in-house brand products.

B2. Material changes in the quarterly profit before taxation compared to the preceding quarter

The Group recorded a revenue of RM9.52 million in the current quarter ended 31 December 2013 as compared to RM15.04 million in the immediate preceding quarter ended 30 September 2013 due mainly to decrease in consignment and boutiques sales during the current quarter.

The Group's after-tax losses had increased from RM0.96 million in the preceding quarter ended 30 September 2013 to a after tax loss of RM3.22 million in the current quarter ended 31 December 2013 which represents a decrease of 235.42% due mainly to lower order in retail sales of in house brand products coupled with higher operation cost. The gross profit generated had decreased from RM8.80 million to RM4.12 million amidst sustained lower sales order coupled with higher cost of sales.

Investment Holdings: No income were generated from investment holdings. The net loss for the current quarter is RM2.47 million as compared to RM1.45 million for the preceding quarter. Interest expenses amounted to RM2.13 million for the current quarter ended 31 December 2013 as compared to RM1.07 million for the preceding quarter ended 30 September 2013.

Manufacturing: Turnover for the current quarter ended 31 December 2013 amounted to RM5.25 million as compared to RM5.99 million in the preceding quarter ended 30 September 2013. The decrease in turnover was due to decrease sales orders from China. The division recorded a net loss of RM2.17 million in the current quarter ended 31 December 2013 as compared to a net loss of RM0.79 million in the immediate preceding quarter ended 30 September 2013 due to higher cost of sales.

Trading: Turnover for the current quarter ended 31 December 2013 amounted to RM4.27 million as compared to RM9.11 million in the immediate preceding quarter ended 30 September 2013. The decreased in turnover was due to decrease in retail sales of in-house brand products. The division recorded a net profit of RM1.42 million in the current quarter ended 31 December 2013 in this segment as compared to a net profit of RM1.28 million in the immediate preceding quarter ended 30 September 2013. The increase in net profit was due to lower cost of sales and operation cost.

B3. Prospects for the new financial year

The directors are fully aware of the serious constraint in working capital which is affecting the performance of the Group. The Company will endeavour to concentrate on products with higher margins and to also undertake manufacturing that allows the Company to recognise reasonable profits from better margins. A successful restructuring with the lenders together with appropriate changes in the Company's management team will allow the Group to move in the right direction.

B4. Variance of actual profit from forecast profit and profit guarantee
Not applicable.

B5. Taxation

	Individual period		Cumulative period	
	Current year quarter	Preceding year corresponding quarter	Current year to-date	Preceding year corresponding period
	31/12/13	31/12/12	31/12/13	31/12/12
	RM'000	RM'000	RM'000	RM'000
Current taxation	-	-	-	-
Transfer (from) / to deferred taxation	-	-	-	-
	-	-	-	-

B6. Status of corporate proposals

An announcement was made on 10 May 2013 that its wholly-owned subsidiary, Hytex Integrated (Suzhou) Co. Ltd. had entered into a Memorandum of Understanding with Gazhouba Group Electric Power Co. Ltd. to be the turnkey contractor for the 50 megawatt maglev wind farm in Guizhou Province, People's Republic of China.

On 15 May 2013, an announcement was made that Hytex Integrated (Suzhou) Co. Ltd. had entered into a Memorandum of Agreement between Shenzhen Timar Scenery Energy Technology Co. Ltd. and Taijiang County People's Government to formalise the terms and conditions as well as the responsibilities of each respective parties in relation to the wind farm.

B7. Borrowings and debt securities

The Group's borrowings as at 31 December 2013 are as follows:

	Notes	Secured RM'000	Unsecured RM'000	Total RM'000
Long-term borrowings		29,382	-	29,382
Short-term borrowings	A9	97,318	39,890	137,208
		126,700	39,890	166,590

B8. Material litigation

The Board of Directors of Hytex Integrated Berhad had, on the date stated, made the following announcements on material litigations:

On 20/01/2012: The Company and its wholly-owned subsidiary, Hytex Garments (M) Sdn Bhd have been served Winding-Up Petitions, both dated 29 December 2011 and filed by CIMB Bank Berhad for outstanding amount of RM1,401,468.99.

On 31/01/2012: Its wholly-owned subsidiary, WOC Boutique Sdn Bhd has been served a Writ of Summons and Statement of Claims filed by The Government of Malaysia - Inland Revenue Board Malaysia for outstanding amount of RM43,754.52.

On 09/02/2012: The case management for the case, CIMB Bank Berhad v. Hytex Garments (M) Sdn Bhd - Company Winding-up Petition No. 28NCC-1110-12/2011 has been fixed on 23 February 2012.

On 13/02/2012: Kuala Lumpur High Court Suit No. S-22-631-2010 (Starhome Realty Sdn Bhd vs Hytex Integrated Berhad) and Kuala Lumpur High Court Suit No. S-22-241-2010 (Bintang Garment Supplier Sdn Bhd vs Hytex Integrated Berhad). The abovementioned legal matters have been fixed for further Pre-Trial Case Management on 18 June 2012 for the Plaintiffs to file their Application to amend the Statement of Claim.

On 14/02/2012 : Kuala Lumpur High Court Suit No. D-22NCC-279-2011 (Hytex Integrated Berhad v. MSIG Insurance (M) Berhad). The abovementioned legal matter has been fixed for further Case Management on 20 March 2012 for parties to up-date the Court as to the status of the case.

On 14/02/2012: The case management for the case, CIMB Bank Berhad v. Hytex Garments (M) Sdn Bhd - Company Winding-up Petition No. 28JCC-1110-12/2011 has been fixed on 23 February 2012.

On 17/02/2012: The case management for the case, CIMB Bank Berhad v. Hytex Garments (M) Sdn Bhd - Company Winding-up Petition No. 28NCC-1110-12/2011 has been adjourned to 27 March 2012.

On 17/02/2012: On the matter of the Government Of Malaysia v. WOC Boutique Sdn Bhd - Kuala Lumpur High Court Suit No. 21NCVC-243-11/2011. That the Inland Revenue Board has rejected the proposal of WOC Boutique Sdn Bhd for 36 installment payments and the Court has issued a Consent Judgement granting the Company a 24 months installment payment.

On 02/03/2012: That hearing for the Summary Judgement on Kuala Lumpur High Court Suit No. 22NCC-2039-12/2011 filed by Hong Leong Bank Berhad vs WOC Boutique Sdn Bhd and Hytex Integrated Berhad has been adjourned to 27 March 2012.

On 14/03/2012: That the Company Winding-Up Petition No. 28NCC-1110-12/2011 filed by CIMB Bank Berhad against Hytex Garments (M) Sdn Bhd, reference made to the announcement on the subject matter on 9 February 2012, has been fixed for case management on 16 March 2012.

On 15/03/2012: That the Kuala Lumpur High Court Civil Suit No. D2-22-1997-2008 filed by Hytex Integrated Berhad against Hong Leong Assurance Berhad has been fixed for pre trial case management on 28 March 2012.

On 20/03/2012: That the Company Winding-Up Petition No. 28NCC-1110-12/2011 filed by CIMB Bank Berhad against Hytex Garments (M) Sdn Bhd has been fixed for case management on 20 April 2012.

On 28/03/2012: That hearing on the Company Winding-Up Petition No. 28NCC-1111-12/2011 filed by CIMB Bank Berhad against Hytex Integrated Berhad, reference made to the announcement on the subject matter on 17 February 2012, has been postponed to 26 April 2012.

On 28/03/2012: On the hearing for the Summary Judgement on Kuala Lumpur High Court Suit No. 22NCC-2039-12/2011 filed by Hong Leong Bank Berhad vs WOC Boutique Sdn Bhd and Hytex Integrated Berhad, reference made to the announcement on 2 March 2012, Hong Leong Bank Berhad has obtained summary judgement at the hearing held on 27 March 2012.

On 28/03/2012: Kuala Lumpur High Court Civil Suit No. D2-22-1997-2008 (Hytex Integrated Berhad vs Hong Leong Assurance Berhad). Further to the announcement made on 15 March 2012, the subject matter has been fixed for another Pre-Trial Case Management on 17 April 2012 for Hytex Integrated Berhad to update the Court on the progress of the Arbitration on the subject

On 30/03/2012: Kuala Lumpur High Court Suit No. 22NCC-1893-11-2011. Hong Leong Bank Berhad obtained an order and judgement dated 20 January 2012 against Hytex Integrated Berhad and Hytex Apparels Sdn Bhd. On 17/10/2012: The Company's wholly owned subsidiary, Hytex Apparels Sdn Bhd ("HASB") has been served on 18 October 2012 a Notice pursuant to 218(2)(a) of the Act dated 15 October 2012 by Hong Leong Bank Berhad ("HLBB"). Subsequently, HLBB requested HASB to pay a sum of RM3,661,001.83 being the amount due and owing by HASB to HLBB as at 5 October 2012 pursuant to the aforesaid Judgement. Currently, the Board is finalizing a proposal to discuss with the lender, with repayment on a monthly basis.

On 30/03/2012: That its wholly owned subsidiary, WOC Boutique Sdn Bhd, has been served two Originating Summons by Hong Leong Bank Berhad on 30 March 2012: -

a) Originating Summons No. 24F-144-02/2012, and

b) Originating Summons No. 24F-145-02/2012.

Both originating summon order that the said properties (both low cost apartments) charged to the plaintiff be sold by public auction.

On 13/04/2012: That its wholly owned subsidiary, Hytex Apparels Sdn Bhd, has been served with a Notice pursuant to Section 218(2)(a) of the Companies Act, 1965 dated 10 April 2012 demanding for a sum of RM3,950,850.20 together with interest being the amount due and owing to HSBC Bank Malaysia Berhad.

On 23/04/2012; In Session Court of Georgetown, Pulau Pinang 52-861-04/2012-That the Company's wholly owned subsidiary, WOC Boutique Sdn Bhd has been served a Writ of Summons dated 12 April 2012 and the Statement of Claim from Amtrustee Berhad in respect of the outstanding rental for the months of May 2011 to 11 September 2011, LPI charges and legal cost totalling RM38,410.54 in accordance to the letter of demand dated 2 November 2011 from the Plaintiff. A mention date for this case has been fixed on 15 May 2012.

On 02/07/2012: Kuala Lumpur High Court Suit No. D-22NCC-279-2011 (Hytex Integrated Berhad v. MSIG Insurance (M) Berhad). The abovementioned legal matter has been fixed for further Case Management on 3 August 2012.

On 10/07/2012: That hearing on the Company Winding-Up Petition No. 28NCC-1111-12/2011 filed by CIMB Bank Berhad against Hytex Integrated Berhad, has been fixed on 10 August 2012.

On 13/08/2012: That hearing on the Company Winding-Up Petition No. 28NCC-1111-12/2011 filed by CIMB Bank Berhad against Hytex Integrated Berhad, has been adjourned to 27 August 2012.

On 23/08/2012; Hytex Integrated Berhad has been served a Writ of Summons and Statement of Claims filed by The Government of Malaysia - Inland Revenue Board Malaysia for outstanding amount of RM783,821.48.

On 24/08/2012: Further to the Originating Summons, 24F-144-02/2012 and 24F-145-02/2012 by Hong Leong Bank Berhad against WOC Boutique Sdn Bhd, hearings on the subject legal suits have been fixed on 30 August 2012.

On 13/08/2012: That hearing on the Company Winding-Up Petition No. 28NCC-1111-12/2011 filed by CIMB Bank Berhad against Hytex Integrated Berhad, has been further adjourned to 30 August 2012.

On 4/09/2012: In the hearing on the Company Winding-Up Petition No. 28NCC-1111-12/2011 filed by CIMB Bank Berhad against Hytex Integrated Berhad, the Plaintiff has withdrawn the Petition given that the Plaintiff has accepted the Company's proposed

On 4/09/2012: In respect of Kuala Lumpur High Court Suit No. 21NCVC-190-07/2012 by the Government of Malaysia v. Hytex Integrated Berhad, Hytex Integrated Berhad has been directed to file a Statement of Defence before 18 September 2012.

On 12/09/2012: Kuala Lumpur High Court Civil Suit No. D2-22-1997-2008 (Hytex Integrated Berhad vs Hong Leong Assurance Berhad). Further to the announcement made on 28 March 2012, the Pre Trial Case Management has been held on 5 September 2012 and another Pre Trial Case Management has been fixed on 24 September 2012.

On 20/09/2012: Kuala Lumpur High Court Suit No. D-22NCC-279-2011 (Hytex Integrated Berhad v. MSIG Insurance (M) Berhad). The abovementioned legal matter has been fixed for further Case Management on 24 September 2012.

On 25/09/2012: Kuala Lumpur High Court Suit No. D-22NCC-279-2011 (Hytex Integrated Berhad v. MSIG Insurance (M) Berhad). The abovementioned legal matter has been fixed for further Case Management on 8 October 2012.

On 25/09/2012: Kuala Lumpur High Court Civil Suit No. D2-22-1997-2008 (Hytex Integrated Berhad vs Hong Leong Assurance Berhad). Further to the announcement made on 12 September 2012, the parties have agreed to refer the matter to the panel of arbitrators. Another Pre Trial Case Management has been fixed on 8 October 2012.

On 11/10/2012: Kuala Lumpur High Court Suit No. D-22NCC-279-2011 (Hytex Integrated Berhad v. MSIG Insurance (M) Berhad). The abovementioned legal matter has been fixed for further Case Management on 22 October 2012.

On 12/10/2012: Kuala Lumpur High Court Civil Suit No. D2-22-1997-2008 (Hytex Integrated Berhad vs Hong Leong Assurance Berhad). Further to the announcement made on 25 September 2012, the subject matter has been fixed for another Pre Trial Case Management on 22 October 2012.

On 17/10/2012: That its wholly owned subsidiary, Hytex Apparels Sdn Bhd, has been served a Notice pursuant to 218(2)(a) of the Companies Act, 1965 dated 15 October 2012 by Hong Leong Bank Berhad demanding RM3,651,001.83 together with interest being the amount due and owing to Hong Leong Bank Berhad.

On 25/10/2012: Kuala Lumpur High Court Civil Suit No. D2-22-1997-2008 (Hytex Integrated Berhad vs Hong Leong Assurance Berhad). Further to the announcement made on 12 October 2012, the subject matter has been fixed for another Pre Trial Case Management on 6 November 2012.

On 25/10/2012: Kuala Lumpur High Court Suit No. D-22NCC-279-2011 (Hytex Integrated Berhad v. MSIG Insurance (M) Berhad). The abovementioned legal matter has been fixed for further Case Management on 6 November 2012.

On 7/11/2012: In Originating Summons No. 24F-145-02/2012, WOC Boutique Sdn Bhd, a wholly owned subsidiary of the Company had on 6 November 2012 received a Notice of Application and Affidavit both dated 3 October 2012 for a hearing on the subject legal suit which is fixed on 26 December 2012.

On 14/11/2012: That Hytex Integrated Berhad and its wholly owned subsidiary, Hytex Apparels Sdn Bhd, has been served a Writ of Summons dated 15 October 2012 from United Overseas Bank (Malaysia) Berhad demanding RM6,617,560.83 together with interest and cost being the amount due and owing to Hong Leong Bank Berhad.

On 21/11/2012: Kuala Lumpur High Court Civil Suit No. D2-22-1997-2008 (Hytex Integrated Berhad vs Hong Leong Assurance Berhad). The case came up for Pre Trial Case Management on 6 November 2012 and both parties have agreed to refer the subject matter to Arbitration. The Court recorded the same and directed both the parties to refer this matter to Arbitration. In this regard, the Court proceeded to close the Court file at their end.

On 21/11/2012: Kuala Lumpur High Court Suit No. D-22NCC-279-2011 (Hytex Integrated Berhad v. MSIG Insurance (M) Berhad). The abovementioned legal matter has been fixed for Case Management on 28 November 2012.

On 23/11/2012: Kuala Lumpur High Court Suit No. 22NCC-1531-11/2012 (United Overseas Bank (Malaysia) Berhad v. (i) Hytex Apparel Sdn Bhd; and (ii) Hytex Integrated Berhad).

On 28/11/2012: That Hytex Integrated Berhad and its wholly-owned subsidiary, Hytex Apparel Sdn Bhd, has received Letters of Demand both dated 20 November 2012 from RHB Bank Berhad demanding RM12,973,724.75 being overdue Bankers Acceptance together with interest and RM380,098.06 under Bank Guarantee together with interest being the amount due and owing to RHB Bank Berhad.

On 29/11/2012: Kuala Lumpur High Court Suit No. D-22NCC-279-2011 (Hytex Integrated Berhad v. MSIG Insurance (M) Berhad). The abovementioned legal matter has been fixed for Case Management on 20 December 2012.

On 30/11/2012: In Kuala Lumpur High Court Suit No. 22NCC-1647-11-2012-That the Company and its wholly owned subsidiary, Hytex Garments (M) Sdn Bhd have received the Writ of Summons and Statements of Claim both dated 21 November 2012 from RHB Bank Berhad in respect of overdue Bankers Acceptance under the Multi Trade Line Facility, the claim which comprises of the sum of RM5,055,839.84 and other costs and such other reliefs as the Court deems fit and just. The Company have appointed AmlInvestment Bank Berhad on 31 October 2012 to undertake a restructuring of the Group's debts. AmlInvestment Bank Berhad is now working on a proposal for submission and discussion with the various lenders.

On 14/12/2012: In Kuala Lumpur High Court Suit No. 22NCC-1799-12/2012-That the Company and its wholly owned subsidiary, Hytex Apparel Sdn Bhd have received the Writ of Summons and Statements of Claim both dated 5 December 2012 from RHB Bank Berhad in respect of overdue Bankers Acceptance under the Multi Trade Line Facility in the sum of RM12,973,724.75, overdue of Bank Guarantee 1 Facility in the sum of RM380,098.06, costs and such other reliefs as the Court deems fit and just. AmlInvestment Bank Berhad, the appointed Main Adviser is now finalising the proposal for submission and discussion with the various lenders. On 31/12/2012: The Court has fixed 8 January 2013 for further case management for appearance to be filed before the said date.

On 19/12/2012: In Originating Summons No. 24F-144-02/2012, WOC Boutique Sdn Bhd, a wholly owned subsidiary of the Company had on 18 December 2012 received a Notice of Application and Affidavit both dated 20 November 2012 for a hearing on the subject legal suit which is fixed on 11 January 2013.

On 28/12/2012: Kuala Lumpur High Court Suit No. D-22NCC-279-2011 (Hytex Integrated Berhad vs MSIG Insurance (M) Berhad). The abovementioned matter has been fixed for further Case Management on 9 January 2013 pending extraction of the Company's Application for stay pending disposal of the Arbitration of the legal case in Kuala Lumpur High Court Civil Suit No. D2-22-1997-2008.

On 03/01/2013: Kuala Lumpur High Court Suit No. 22NCC-1799-12/2012 (RHB Bank Berhad v. (i) Hytex Apparel Sdn Bhd; and (ii) Hytex Integrated Berhad).

On 21/1/2013: That the Company had on 21 January 2013 been served with a Notice pursuant to Section 218(2)(a) of the Companies Act 1965 dated 16 January 2013 demanding for a sum of RM4,002,105.07 being the amount due and owing to HSBC Bank Malaysia Berhad as at 9 January 2013 pursuant to a Judgement dated 29 November 2011 obtained against the Company in respect of Kuala Lumpur High Court Suit No. 22NCC-1894-11/2011.

On 26/04/2013: On 23 April 2013, the Company has been served with a Writ and Statement of Claim both dated 23 April 2013 by Prima Uno Berhad & Malaysian Trustees Berhad ("the Plaintiffs") demanding for a sum of RM23,402,114.08 together with interest and cost being the amount due and owing to the Plaintiffs.

On 23/05/2013: That the Company had on 23 May 2013 been served with a Amended Writ and Statement of Claim dated 22 May 2013 and 23 April 2013 respectively by Prima Uno Berhad & Malaysian Trustees Berhad demanding for a sum of RM23,402,114.08 together with interest and cost to be paid to Malaysian Trustees Berhad. The case management has been fixed on 18 June 2013.

On 11/10/2013 : The winding-up petitions against HIB and HASB were presented via The High Court of Malaya at Kuala Lumpur. Winding-up No. 28NCC-884-10/2013 and 28NCC-886-10/2013 by United Overseas Bank (Malaysia) Berhad ("Petitioner") demanding of RM 6,617,560.83 together with interest at the Petitioner's Base Lending Rate ("BLR") which as at 1 October 2012 is 6.60% per annum (and such BLR which may be determined by the Petitioner from time to time) + 3.50% per annum on monthly rest from 1 October 2012 until the date of full final settlement

On 22/10/2013 : The winding up case is fixed for further Case Management ("CM") on 13 November 2013. The Court has directed the Company to file its Affidavit in Reply before the date of the case management.

On 15/11/2013 : The High Court had on 13 November 2013, set the next hearing on 9 December 2013 and directed the Company to file its Affidavit in Reply before 20 November 2013.

On 25/11/2013 ; Kuala Lumpur High Court Suit No. S-22-831-2010 (Starhome Realty Sdn Bhd vs Hytex Integrated Berhad) and Kuala Lumpur High Court Suit No. S-22-241-2010 (Bintang Garment Supplier Sdn Bhd vs Hytex Integrated Berhad), the decision for Plaintiff's Application in Enclosure 38 for Summary disposal under Order 33 ROC 2012 on 22.11.2013 has been rescheduled to 17.12.2013 (Decision). Pursuant to the application, the Court of Appeal has fixed the subject matter for case management on 11.02.2014. The Court has fixed the hearing on 01.04.2014 and the Registrar had directed parties to prepare its written submission before 18.03.2014

Further to the Company's announcement dated 18 December 2013, the Company announce that HGSB has filed a Notice of Application to the Selayang Magistrates Court ("the Court") on 30 December 2013 to stay the execution of the Writ of Distress. HGSB's appointed solicitors has met the Magistrate of the Court for a hearing on 30 December 2013 and the Magistrate has granted an Order to stay the execution of the Writ of Distress for the duration of the Restraining Order which was obtained in the Kuala Lumpur High Court on 20 December 2013.

B9. Dividends (proposed or declared)

No dividend was proposed or declared during the current quarter.

B10. Earnings per share

The earnings per share (basic) is calculated by dividing the Group's profit after taxation and minority interest by the weighted average number of shares in issue of 150,000,000.

	Note	Individual period		Cumulative period	
		Current year quarter 31/12/13	Preceding year corresponding quarter 31/12/12	Current year to-date 31/12/13	Preceding year corresponding period 31/12/12
Net loss for the period (RM'000)		(3,215)	(948)	(8,582)	(9,559)
Weighted average number of ordinary shares in issue ('000)		150,000	150,000	150,000	150,000
Basic earnings per share (sen)	A1	(2.14)	(0.63)	(5.72)	(6.37)

B11 Loss before taxation

Loss before taxation is arrived at after charging/(crediting) :-

	Current year to-date 31/12/13 RM'000	Preceding year corresponding period 31/12/12 RM'000
Interest expenses	8,304	8,169
Depreciation and amortisation	8,194	9,644
Interest income	(1)	(1)
Loss on disposal of property, plant & equipment	-	28
Loss/ (Gain) on foreign exchange	6	(32)

B12 Disclosure of realised and unrealised profit or losses

	As at Quarter Ended 31/12/13 RM'000	As at Quarter Ended 31/12/12 RM'000
Total accumulated loss of Hytex Integrated Berhad and its subsidiaries		
- Realised	(331,860)	(160,567)
- Unrealised	-	-
	(331,860)	(160,567)
Less Consolidation adjustment	195,734	43,778
Total Group accumulated loss	(136,126)	(116,789)

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