

(Incorporated In Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2012**

	Current Year Quarter 31-Dec 2012 RM'000	Preceding Year Corresponding Quarter 31-Dec 2011 RM'000	Current Year-To-Date 31-Dec 2012 RM'000	Preceding Year-To-Date 31-Dec 2011 RM'000
Revenue	34,454	35,312	132,803	122,150
Cost of sales	(26,143)	(24,639)	(102,217)	(88,105)
Gross Profit	8,311	10,673	30,586	34,045
Other income	948	261	2,447	3,070
Selling and distribution expenses	(4,811)	(4,161)	(17,246)	(14,378)
Administrative expenses	(1,943)	(2,057)	(7,403)	(7,407)
Overdraft interest	-	-	-	(1)
Profit before tax	2,505	4,716	8,384	15,329
Taxation	387	(1,080)	3,216	(1,609)
Profit for the period	2,892	3,636	11,600	13,720
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	2,892	3,636	11,600	13,720
Profit attributable to:				
Owners of the parent	2,892	3,636	11,600	13,720
Total comprehensive income attributable to:				
Owners of the parent	2,892	3,636	11,600	13,720
Earnings per share attributable to owners of the parent:				
Basic (sen)	2.80	3.52	11.24	13.81
Diluted (sen)	2.80	3.52	11.24	13.81

These Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2011 and accompanying explanatory notes attached to these interim financial statements.

(Incorporated In Malaysia)

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

	Unaudited As at 31-Dec 2012 RM'000	Audited As at 31-Dec 2011 RM'000
Assets		
Non-current assets		
Property, plant and equipment	38,830	43,717
Investment properties	2,871	1,477
Other investment	1,149	1,149
Deferred tax assets	2,917	3,302
	45,767	49,645
Current assets		
Inventories	18,413	26,663
Other investments	-	2,600
Trade and other receivables	8,641	8,885
Short term deposits with licensed banks	3,184	408
Cash and bank balances	54,352	33,411
Tax refundable	1,310	4,445
	85,900	76,412
TOTAL ASSETS	131,667	126,057
Equity and liabilities		
Current liabilities		
Trade and other payables	7,236	6,457
Dividend payable	6,192	6,192
	13,428	12,649
Net current assets	72,472	63,763
Non-current liability		
Deferred tax liabilities	2,362	2,939
TOTAL LIABILITIES	15,790	15,588
Net assets	115,877	110,469
Equity attributable to the owners of the parent		
Share Capital	51,600	51,600
Share premium	883	883
Retained earnings	63,394	57,986
TOTAL EQUITY	115,877	110,469
TOTAL EQUITY AND LIABILITIES	131,667	126,057
NA per share (RM)	1.12	1.07

These Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2011 and accompanying explanatory notes attached to these interim financial statements.

(Incorporated In Malaysia)

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

	Unaudited Current Year-To-Date 31-Dec 2012 RM'000	Unaudited Preceding Year-To-Date 31-Dec 2011 RM'000
Cash Flows From Operating Activities		
Profit before taxation	8,384	15,329
<u>Adjustments for:</u>		
Depreciation of property , plant and equipment	4,835	4,954
Depreciation of investment properties	55	41
Gain on disposal of property, plant and equipment	(66)	(504)
Unrealised loss on foreign exchange	233	-
Reversal of impairment loss on trade receivables	-	(4)
Interest expense	-	1
Interest income	(387)	(151)
<i>Operating cash flows before changes in working capital changes</i>	13,054	19,666
Decrease/(Increase) in inventories	8,250	(4,378)
Decrease/(Increase) in receivables	244	(2,533)
Increase/(Decrease) in payables	779	(2,699)
<i>Cash flows generated from operations</i>	22,327	10,056
Income tax paid	6,160	(2,201)
Interest paid	-	(1)
Interest received	387	151
<i>Net cash flows generated from operating activities</i>	28,874	8,005
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(1,432)	(1,722)
Proceeds from disposal of property, plant and equipment	100	543
Uplift/(Acquisition) of structured investment	2,600	(2,600)
<i>Net cash flows generated from/(used in) investing activities</i>	1,268	(3,779)
Cash Flows From Financing Activities		
Dividend paid on ordinary shares	(6,192)	(6,200)
Proceeds from issuance of shares	-	7,320
Share issuance expenses	-	(337)
<i>Net cash flows (used in)/generated from financing activities</i>	(6,192)	783
<i>Net increase in cash & cash equivalents</i>	23,950	5,009
Effects of exchange rate changes on cash and cash equivalents	(233)	-
Cash and cash equivalent at 1 January	33,819	28,810
Cash and cash equivalent at 31 December	57,536	33,819

These Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2011 and accompanying explanatory notes attached to these interim financial statements.

(Incorporated In Malaysia)

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

	<-----Non-Distributable----->				<Distributable>
	Equity, total RM'000	Equity attributable to owners of the parents, total RM'000	Share capital RM'000	Share premium RM'000	Retained earnings RM'000
Opening balance at 1 January 2011	102,158	102,158	45,500	-	56,658
Total Comprehensive Income	13,720	13,720	-	-	13,720
Dividend paid	(12,392)	(12,392)	-	-	(12,392)
Issuance of shares	7,320	7,320	6,100	1,220	-
Share issuance expense	(337)	(337)	-	(337)	-
Closing balance at 31 December 2011	110,469	110,469	51,600	883	57,986
Opening balance at 1 January 2012	110,469	110,469	51,600	883	57,986
Total Comprehensive Income	11,600	11,600	-	-	11,600
Dividend paid	(6,192)	(6,192)	-	-	(6,192)
Closing balance at 31 December 2012	115,877	115,877	51,600	883	63,394

These Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2011 and accompanying explanatory notes attached to these interim financial statements.



(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2012

**PART A -
EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM
FINANCIAL REPORTING**

A1. Basis of Preparation

These condensed consolidated interim financial statements, for the period ended 31 December 2012, have been prepared in accordance with MFRS134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). These condensed consolidated interim financial statements also comply with IAS34: Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”).

These are the Group’s condensed consolidated interim financial statements for part of the period covered by the Group’s first MFRS framework annual financial statements for the year ended 31 December 2012. MFRS1 First-Time Adoption of Malaysian Financial Reporting Standards (“MFRS1”) has been applied.

The explanatory notes attached to the unaudited interim financial report provide an explanation of the event and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the year ended 31 December 2011. They do not include all the information required for full annual financial statements and should be read in conjunction with the Group’s financial statements for the financial year ended 31 December 2011.

A2. Significant Accounting Policies

The significant accounting policies adopted by the Group in these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2011 of the Group, except for the following:

Adoption of a new MASB accounting framework, the MFRS Framework

The Group has adopted the MFRS Framework and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards for the first time in these condensed consolidated interim financial statements. The transition to the MFRS framework does not have any impact on the financial position, financial performance and cash flows of the Group and the Company.

The following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

MFRS, Interpretations and amendments effective for annual periods beginning on or after 1 July 2012

Amendments to MFRS 101

Presentation of Items of Other Comprehensive Income

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2012

A2. Significant Accounting Policies (cont'd)

MFRS, Interpretations and amendments effective for annual periods beginning on or after 1 January 2013

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosures of Interest in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (IAS 19 as amended by IASB in June 2011)
MFRS 127	Separate Financial Statements (as amended by IASB in May 2011)
MFRS 128	Investment in Associates and Joint Ventures
Amendments to MFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
IC Interpretation 20	Stripping costs in the Production Phase of a Surface Mine
Amendments to MFRS 1	Government Loans

MFRS, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities
------------------------	---

MFRS, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)
--------	---

A3. Auditors' Report

There was no qualification to the audited financial statements of the Company and its subsidiary for the financial year ended 31 December 2011.

A4. Seasonal or Cyclical Factors

The Group's business operation and performance are not affected materially by any seasonal or cyclical factors for the financial quarter under review.

A5. Items of Unusual Nature

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flow in the quarterly financial statements.

A6. Material Changes in Estimates

There were no changes in estimates of amounts reported in either the prior interim period of the current financial period or prior financial years that have had a material effect on the results during the current quarter and financial period-to-date.



(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2012

A7. Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.

A8. Dividend Paid

An interim tax exempt (single-tier) dividend of 6 sen per ordinary shares of RM0.50 each amounting to RM6.192 million was paid on 16 January 2012 in respect of the financial year ended 31 December 2011.

A9. Segment Reporting

The Group is organised into business units based on their products and services, and has two reportable operating segments as follows:-

- i. Manufacturing segment - manufacturing and sale of plywood, veneer and laminated veneer lumber (LVL).
- ii. Electricity segment - generation, transmission, distribution and sale of electricity.

The segment revenue and results for the financial year ended 31 December 2012:

	Manufacturing RM'000	Electricity RM'000	Elimination RM'000	Consolidated RM'000
<u>12 months Ended 31 December 2012</u>				
REVENUE				
External sales	132,703	100		132,803
inter-segment sales		4,645	(4,645)	-
				132,803
RESULTS				
Profit from operations	28,897	1,629	60	30,586
Other income				2,447
Selling and distribution expenses				(17,246)
Administrative expenses				(7,403)
Interest expense				-
Profit before tax				8,384
Income tax expense				3,216
Total comprehensive income				11,600

(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2012

A9. Segment Reporting (cont'd)

	Manufacturing RM'000	Electricity RM'000	Elimination RM'000	Consolidated RM'000
<u>12 months Ended 31 December 2011</u>				
REVENUE				
External sales	122,048	102		122,150
inter-segment sales		4,163	(4,163)	-
RESULTS				
Profit from operations	33,428	557	60	34,045
Other income				3,070
Selling and distribution expenses				(14,378)
Administrative expenses				(7,407)
Interest expense				(1)
Profit before tax				15,329
Income tax expense				(1,609)
Total comprehensive income				13,720

A10. Profit before tax

Profit before tax is arrived at after charging/(crediting) :-

	Current Quarter		Year-to-date	
	31-Dec 2012 RM'000	31-Dec 2011 RM'000	31-Dec 2012 RM'000	31-Dec 2011 RM'000
Interest income	(105)	(59)	(387)	(151)
Interest expense	-	-	-	1
Rental income	(31)	(25)	(130)	(123)
Rental of premises	39	-	104	-
Depreciation and amortisation	1,225	1,232	4,890	4,995
Foreign exchange (gain)/loss	(115)	201	183	(979)
Gain on disposal of plant & machinery	-	-	(66)	(504)

A11. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current financial quarter.

(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2012

A12. Change in contingent liabilities or contingent assets

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

A13. Capital Commitments

There were no material capital commitments subsequent to the end of the current financial quarter.

A14. Material Events Subsequent to the reporting period

There were no material events subsequent to the end of the current financial quarter.

A15. Changes in composition of the Group

There were no material events subsequent to the end of the current financial quarter that have not been reflected in this quarterly report as at the date of this report.

A16. Related Party Transactions

The following table provides information on the transactions which have been entered into with related parties during the year ended 31 December 2012 and 31 December 2011 as well as the balances with the related parties as at 31 December 2012 and 31 December 2011:

Nature of transactions	Transactions Value		Balance Outstanding	
	12 months ended		As At	As At
	31-Dec 2012	31-Dec 2011	31-Dec 2012	31-Dec 2011
	RM'000	RM'000	RM'000	RM'000
Rental paid to a director	104	-	-	-
Sales to a director	3	-	-	-
Purchases from a company related to a director*	357	433	-	58

All outstanding balances with these related parties are unsecured and are to be settled in cash within three months from the reporting date.

* Ceased/Resigned as Director wef. 24 September 2012



(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2012

PART B -

**ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD
(PART A OF APPENDIX 9B)**

B1. Review of performance of the Group

The Group recorded revenue of RM34.45 million (which consists of RM34.42 million from the manufacturing segment and RM0.03 million from the electricity segment respectively) during the current quarter under review, a decrease of approximately RM0.86 million as compared to a revenue of RM35.31 million (which consist of RM35.29 million from the manufacturing segment and RM0.02 million from the electricity segment respectively) recorded in the corresponding quarter last year. There was no significant variance between the two quarters' revenue figure because impact of higher quantity sold was offset by the lower average selling price in current quarter under review.

The profit before tax of the Group for the current quarter under review was RM2.51 million. The profit before tax had decreased by approximately RM2.21 million as compared to the preceding year quarter ended 31 December 2011. Decrease in profit before tax was mainly due to the lower selling price in current quarter under review as compared to the preceding year quarter's average selling price which was boosted by the effect of Japan Tsunami in 2011. Profit for the period of the Group amounted to RM2.89 million.

B2. Comparison with immediate preceding quarter's results

The Group's revenue for the current quarter under review was RM34.45 million, an increase of RM3.12 million as compared to revenue of RM31.33 million in the immediate preceding quarter due to higher quantity sold especially to the US region in the current quarter under review.

The profit before tax for the current quarter under review was RM2.51 million, an increase of RM0.44 million as compared to the immediate preceding quarter of RM2.07 million. This is mainly due to higher sales volume as well as impact from foreign exchange gain in the quarter under review.

B3. Prospects for financial year 2013

Due to the implementation of Minimum Wage System effective from 1 January 2013, the Group's operating environment has becoming more challenging in order to remain profitable in the year ahead. However, the Board expects that the prices of its products will remain competitive if the demand for timber products increases slowly as recovery in US housing market has continued gaining momentum.

The Group had recently obtained a certification from a US wood products testing and certifying company, which will help in marketing its products in US. The Board will continue to expand the market share especially in US which provides better margin than other regions in the year ahead. Besides, the Board will continue to work on improving operational efficiency by enhancing the productivity of its workforce and its equipment fleet as a way to minimise the adverse impact from the implementation of minimum wage system.

(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2012

B4. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee in the current quarter or in the prior financial year.

B5. Income Tax (Credit)/Expense

	31-Dec 2012 RM'000	31-Dec 2011 RM'000	31-Dec 2012 RM'000	31-Dec 2011 RM'000
Current income tax:				
- Malaysian income tax	97	2,014	97	2,014
- Over provision in respect of previous years	(458)	(579)	(3,122)	(579)
	(361)	1,435	(3,025)	1,435
Deferred income tax:				
- Origination and reversal of temporary differences	(129)	(353)	(294)	176
- Under/(Over) provision in respect of previous years	103	(2)	103	(2)
	(26)	(355)	(191)	174
Income tax (credit)/expense	(387)	1,080	(3,216)	1,609

B6. Status of corporate proposals

There were no corporate proposals announced or not completed by the Group as at the date of this report.

B7. Borrowings

The Group has no borrowings as at 31 December 2012.

B8. Material litigations

There were no material litigations since the last financial year ended 31 December 2011 and up to the date of this report.

B9. Dividends

The Group had paid the First Interim tax-exempt (single tier) dividend amounting to RM6.192 million which was declared on 19 November 2012 for the financial year ended 31 December 2012 on 4 February 2013.

(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2012

B10. Earnings per share

Basic earnings per share are calculated by dividing the profit for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period. There is no dilutive effect.

	<i>Current quarter</i>		<i>Year-to-date</i>	
	31-Dec 2012	31-Dec 2011	31-Dec 2012	31-Dec 2011
Profit, net of tax, attributable to owners of the parent used in the computation of earnings per share (RM'000)	2,892	3,636	11,600	13,720
Weighted average number of ordinary shares in issue ('000)	103,200	103,200	103,200	99,323
Basic earnings per share (sen per share)	<u>2.80</u>	<u>3.52</u>	<u>11.24</u>	<u>13.81</u>

B11. Realised and unrealised profits/(losses) disclosure

The breakdown of the retained profits of the Group as at 31 December 2012 and 31 December 2011 into realised and unrealised profits or losses is presented in accordance with the directives issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and 20 December 2010, prepared in accordance with *Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses* in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	<i>As at</i>	<i>As at</i>
	31-Dec 2012	31-Dec 2011
	RM'000	RM'000
- Realised	63,092	59,621
- Unrealised	302	(1,635)
Total group retained profits as per financial statement	<u>63,394</u>	<u>57,986</u>

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