

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2014⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.3.2014 RM'000	Preceding Year Quarter 31.3.2013 RM'000	Current Year- To-Date 31.3.2014 RM'000	Preceding Year- To-Date 31.3.2013 RM'000
Continuing Operations				
Revenue	111,381	113,419	111,381	113,419
Direct operating costs	(96,086)	(97,894)	(96,086)	(97,894)
Gross profit	15,295	15,525	15,295	15,525
Other operating income	350	508	350	508
Distribution costs	(1,723)	(1,474)	(1,723)	(1,474)
Administrative costs	(6,071)	(5,656)	(6,071)	(5,656)
Other operating costs	(389)	(227)	(389)	(227)
	(8,183)	(7,357)	(8,183)	(7,357)
Profit from operations	7,462	8,676	7,462	8,676
Finance costs	(1,548)	(1,592)	(1,548)	(1,592)
Profit before tax	5,914	7,084	5,914	7,084
Income tax expense	(1,641)	(2,064)	(1,641)	(2,064)
Profit after tax, representing total comprehensive income	4,273	5,020	4,273	5,020
Profit/Total comprehensive income attributable to:				
- Owners of the Company	4,273	5,020	4,273	5,020
- Non-controlling interests	-	-	-	-
	4,273	5,020	4,273	5,020
Earnings per share (sen) attributable to owners of the Company:				
- Basic ⁽²⁾	1.38	2.00	1.38	2.00
- Diluted	1.38	2.00	1.38	2.00

Notes:

- (1) *The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial statement.*
- (2) *Based on the weighted average number of ordinary shares in issue as detailed in Note B11.*

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014⁽¹⁾

	Unaudited As at 31.03.2014 RM'000	Audited As at 31.12.2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	83,215	84,170
Other investment	48	48
	<u>83,263</u>	<u>84,218</u>
Current assets		
Inventories	142,430	149,551
Trade receivables	118,222	119,059
Other receivables, deposits and prepayments	7,174	4,514
Fixed deposits with licensed banks	15,756	15,625
Cash and bank balances	6,941	6,701
	<u>290,523</u>	<u>295,450</u>
TOTAL ASSETS	<u><u>373,786</u></u>	<u><u>379,668</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	155,000	155,000
Share premium	5,094	5,094
Merger deficit	(109,545)	(109,545)
Capital reserve	1	1
Fair value reserve	(12)	(12)
Retained earnings	156,267	151,994
Total Equity	<u>206,805</u>	<u>202,532</u>
Non-current liabilities		
Deferred tax liabilities	3,046	3,080
Borrowings	553	688
	<u>3,599</u>	<u>3,768</u>
Current liabilities		
Trade payables	31,271	30,273
Other payables and accruals	2,885	2,430
Borrowings	125,800	137,070
Tax liabilities	3,426	3,595
	<u>163,382</u>	<u>173,368</u>
Total Liabilities	<u>166,981</u>	<u>177,136</u>
TOTAL EQUITY AND LIABILITIES	<u><u>373,786</u></u>	<u><u>379,668</u></u>
Net assets per share attributable to owners of the Company (RM)	0.67	0.65

Note:

- (1) *The Unaudited Condensed Consolidated Statement of Financial position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial statement.*

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2014⁽¹⁾

	<-----Attributable to equity holders of the Company----->						Total Equity RM'000
	<-----Non-distributable----->			Distributable			
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Capital Reserve RM'000	Fair value Reserve RM'000	Retained Earnings RM'000	
2014							
At 1 January 2014	155,000	5,094	(109,545)	1	(12)	151,994	202,532
Total comprehensive income for the period	-	-	-	-	-	4,273	4,273
At 31 March 2014	<u>155,000</u>	<u>5,094</u>	<u>(109,545)</u>	<u>1</u>	<u>(12)</u>	<u>156,267</u>	<u>206,805</u>
2013							
At 1 January 2013	125,345	-	(109,545)	1	(27)	130,870	146,644
Total comprehensive income for the period	-	-	-	-	-	5,020	5,020
At 31 March 2013	<u>125,345</u>	<u>-</u>	<u>(109,545)</u>	<u>1</u>	<u>(27)</u>	<u>135,890</u>	<u>151,664</u>

Note:

(1) *The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial statement.*

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2014⁽¹⁾

	Current Year-To-Date 31.03.2014 RM'000	Preceding Year-To-Date 31.03.2013 RM'000
Cash Flows from Operating Activities		
Profit before tax	5,914	7,084
Adjustments for:-		
Impairment loss on trade receivables	195	-
Reversal of impairment loss on trade receivables	(87)	-
Bad debt recovered	(3)	-
Depreciation of property, plant and equipment	1,439	1,432
Interest expense	1,432	1,437
Dividend income	#	#
Loss/(Gain) on disposal of property, plant and equipment	#	(185)
Gain on foreign exchange - unrealised	(3)	-
Interest income	(143)	(47)
Operating profit before working capital changes	<u>8,744</u>	<u>9,721</u>
Decrease/(Increase) in inventories	7,121	(12,762)
Increase in trade and other receivables	(1,961)	(78)
Increase in trade and other payables	1,500	18,006
Cash generated from operations	<u>15,404</u>	<u>14,887</u>
Interest received	143	47
Interest paid	(1,432)	(1,437)
Income tax paid	(1,845)	(1,404)
Net cash from operating activities	<u>12,270</u>	<u>12,093</u>
Cash Flows from Investing Activities		
Dividend received	#	#
Purchase of property, plant and equipment	(284)	(1,173)
Placement of fixed deposits	(12)	(12)
Proceeds from disposal of property, plant and equipment	-	185
Net cash used in investing activities	<u>(296)</u>	<u>(1,000)</u>
Cash Flows from Financing Activities		
Repayments of Al-Bai Bithaman Ajil Islamic (ABBA) financing	(177)	(164)
Payments to finance lease payables	(457)	(892)
Repayments of term loans	(75)	(368)
Net repayments of bankers' acceptances	(7,842)	(3,226)
Net cash used in financing activities	<u>(8,551)</u>	<u>(4,650)</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2014⁽¹⁾ (CONT'D)

	Current Year-To-Date 31.03.2014 RM'000	Preceding Year-To-Date 31.03.2013 RM'000
Net increase in cash and cash equivalents	3,423	6,443
Effect of exchange rate changes on cash and cash equivalents	(11)	-
Cash and cash equivalents at beginning of the financial period	4,648	(7,170)
Cash and cash equivalents at end of the financial period	<u>8,060</u>	<u>(727)</u>
 Cash and cash equivalents at end of period comprises :		
Fixed deposits with licensed banks	15,756	4,456
Cash and bank balances	6,941	9,873
Bank overdrafts	(14,232)	(14,664)
	<u>8,465</u>	<u>(335)</u>
Less: Fixed deposit under lien	(405)	(392)
	<u>8,060</u>	<u>(727)</u>

Notes:

Less than RM500.00

(1) *The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial statement.*

A EXPLANATION NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1. Accounting Policies and Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), International Accounting Standard (“IAS”) 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”) and paragraph 9.22 (Appendix 9B Part A) of the Main Market Listing Requirement (“Listing Requirements”) of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013.

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 Company and its subsidiaries (“the Group”) since the financial year ended 31 December 2013.

The significant accounting policies adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements as disclosed in the audited financial statements of the Group for the financial year ended 31 December 2013, except for the adoption of the following:

Amendments/Improvements to MFRSs

MFRS 10	Consolidated Financial Statements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 127	Separate Financial Statements
MFRS 132	Financial Instruments: Presentation
MFRS 136	Impairment of Assets
MFRS 139	Financial Instruments: Recognition and Measurement

New IC Int

IC Int 21	Levies
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The adoption of the above amendments/improvement to MFRSs and new IC interpretation did not have any material impact on the financial position and performance of the Group.

The Group has not applied in advance the following new MFRSs and amendments/improvements to MFRSs that have been issued by MASB but not yet effective for the current financial year:

<u>New MFRS</u>		Effective for financial periods beginning on or after
MFRS 9	Financial Instruments	To be announced by MASB
<u>Amendments/Improvements to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 July 2014
MFRS 2	Share-based Payment	1 July 2014
MFRS 3	Business Combinations	1 July 2014
MFRS 7	Financial Instruments: Disclosures	Applies when MFRS 9 is applied
MFRS 8	Operating Segments	1 July 2014
MFRS 9	Financial Instruments	To be announced by the MASB

A EXPLANATION NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONT’D)

A1. Accounting Policies and Basis of Preparation(*Cont’d*)

		Effective for financial periods beginning on or after
<u>Amendments/Improvements to MFRSs</u>		
MFRS 13	Fair Value Measurement	1 July 2014
MFRS 116	Property, Plant and Equipment	1 July 2014
MFRS 119	Employee Benefits	1 July 2014
MFRS 124	Related Party Disclosures	1 July 2014
MFRS 138	Intangible Assets	1 July 2014
MFRS 139	Financial Instruments: Recognition and Measurement	Applies when MFRS 9 is applied
MFRS 140	Investment Property	1 July 2014

The Group is in the process of assessing the impact which may arise from adoption of the above standard and amendments.

A2. Auditors’ Report on Preceding Annual Financial Statements

The Auditors’ Report for the immediate preceding annual financial statements of the Group and the Company for the financial year ended 31 December 2013 is not subject to any qualification.

A3. Seasonality or Cyclicity of Operations

The Group’s operations were not significantly affected by any seasonal or cyclical factors during the current quarter and current financial year-to-date.

A4. Unusual Items

There were no significant items affecting assets, liabilities, equity, net income, or cash flows of the Group that are unusual because of their nature, size and incidence during the current quarter and current financial year-to-date.

A5. Changes in Estimates

There were no changes in the estimates of amounts reported in the prior financial years that have a material effect on the results for the current quarter and current financial year-to-date.

A6. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities nor any movement in the share capital for the current quarter.

A7. Dividend Paid

No dividend was paid during the current quarter.

A EXPLANATION NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONT’D)

A8. Segment Information

Segment information of the Group for the financial year-to-date ended 31 March 2014 is as follows:

	Trading of Steel Products		Processing of Steel Products	Others⁽¹⁾	Elimination	Consolidated
	RM’000	RM’000	RM’000	RM’000	RM’000	RM’000
External revenue	41,274	70,019		88	-	111,381
Direct operating costs	(36,061)	(59,954)		(71)	-	(96,086)
Gross Profit	5,213	10,065		17	-	15,295
Add/(Less):						
- Other income						350
- Operating expenses						(8,183)
- Finance costs						(1,548)
Profit before taxation						5,914
Income tax expense						(1,641)
Profit for the period						4,273

Segment information of the Group for the financial year-to-date ended 31 March 2013 is as follows:

	Trading of Steel Products		Processing of Steel Products	Others⁽¹⁾	Elimination	Consolidated
	RM’000	RM’000	RM’000	RM’000	RM’000	RM’000
External revenue	42,239	71,085		95	-	113,419
Direct operating costs	(35,500)	(62,327)		(67)	-	(97,894)
Gross Profit	6,739	8,758		28	-	15,525
Add/(Less):						
- Other income						508
- Operating expenses						(7,357)
- Finance costs						(1,592)
Profit before taxation						7,084
Income tax expense						(2,064)
Profit for the period						5,020

Note:

(1) Mainly consists of trading of specialised steel materials including tool steel and non-ferrous metal products including bronze, brass, aluminium and copper products.

A9. Valuations of Property, Plant and Equipment

There were no amendments to the valuation of property, plant and equipment that have been brought forward from the preceding annual financial statements.

A10. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the current quarter up to the date of issue of this report that have not been reflected in the financial statements for the current quarter and current financial year-to-date.

A EXPLANATION NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONT’D)

A11. Effects of Changes in Composition of the Group

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

A12. Capital Commitments

	As at 31.03.2014 RM'000	Audited As at 31.12.2013 RM'000
Approved and contracted for:		
- Purchase of motor vehicles	64	64
- Purchase of machinery	6,073	2,241
	<u>6,137</u>	<u>2,305</u>

A13. Changes in Contingent Liabilities and Contingent Assets

There were no contingent assets and liabilities since the end of the previous financial year up to 31 March 2014.

A14. Significant Related Party Transactions

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.3.2014 RM'000	Preceding Year- Quarter 31.3.2013 RM'000	Current Year- To-Date 31.3.2014 RM'000	Preceding Year- To-Date 31.3.2013 RM'000
Sales to related parties	1,245	1,955	1,245	1,955
Purchases from related parties	178	1,195	178	1,195
Rental expense paid to a related party	60	60	60	60
	<u>1,483</u>	<u>3,210</u>	<u>1,483</u>	<u>3,210</u>

Note:

(1) *Total related party transactions from 5 June 2013 (listing date) to 31 March 2014 amounting to approximately RM5.11 million.*

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Performance

Our Group achieved a fairly consistent revenue for the current quarter as compared to the preceding year corresponding quarter. The revenue recorded for the current quarter and the preceding year corresponding quarter was RM111.38 million and RM113.42 million respectively, a marginal difference of 1.8%.

For the current quarter, our Group registered a decrease in profit before tax by approximately RM1.17 million to RM5.91 million compared to RM7.08 million for the preceding year corresponding quarter. The decrease in profit before tax was mainly due to the following:

- a drop in other operating income as a result of a decrease in insurance claims by approximately RM0.16 million as well as the absence of gain on disposal of property, plant and equipment of approximately RM0.18 million, partly offset by an increase in interest income of approximately RM0.10 million as well as a reversal of impairment loss on trade receivables of approximately RM0.09 million for the current quarter.
- increase in distribution and administrative costs mainly attributable to the higher staff costs by approximately RM0.58 million and provision for directors' fees of RM0.24 million for the current quarter.
- increase in other operating costs mainly due to the inclusion of impairment loss on trade receivables of approximately RM0.20 million for the current quarter.

For the current quarter, our main business segments continued to be trading and processing of steel products, which collectively contributed approximately 99.9% of our total revenue for the current quarter. The trading segment and the processing segment contributed revenue of approximately 37.0% and 62.9% respectively for the current quarter which is similar to the preceding year corresponding quarter where the trading segment and the processing segment contributed revenue of approximately 37.2% and 62.7% respectively.

Processing of steel products showed an improvement in gross profit margin from 12.3% for the preceding year corresponding quarter to 14.4% for the current quarter. However, the gross profit margin for trading of steel products decreased from approximately 16.0% for the preceding year corresponding quarter to 12.6% for the current quarter. Consequently, processing of steel products accounted for approximately 65.8% of our total gross profit for the current quarter, an increase of 9.4%, from 56.4% for the preceding year corresponding quarter. Whereas gross profit from trading of steel products accounted for approximately 34.1% of our total gross profit for the current quarter, drop by 9.3%, from 43.4% for the preceding year corresponding quarter.

B2. Material Variation of Profit Before Tax Against Immediate Preceding Quarter

Our Group achieved revenue of RM111.38 million for the current quarter, which was marginally lower than the immediate preceding quarter's revenue by approximately 0.6% or RM0.69 million.

For the current quarter, our profit before tax decreased by approximately 39.2% or RM3.81 million, from RM9.72 million for the immediate preceding quarter to RM5.91 million for the current quarter mainly due to the higher staff costs and directors' remuneration by approximately RM3.09 million, largely resulted from bonuses which were fully paid during the current quarter.

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B3. Commentary on Prospects

With the expected continued improvement in the world, regional as well as our local economy, our Group is optimistic that, barring unforeseen circumstances, its prospects for the remaining period of the current financial year will be positive.

B4. Variance of Forecast Profit and Profit Guarantee

No profit forecast has been issued by the Group previously in any public document.

B5. Profit Before Tax

Profit before tax is derived after taking into consideration the followings:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.3.2014 RM'000	Preceding Year Quarter 31.3.2013 RM'000	Current Year-To-Date 31.3.2014 RM'000	Preceding Year-To-Date 31.3.2013 RM'000
Impairment loss on trade receivables	195	-	195	-
Bad debt recovered	(3)	-	(3)	-
Reversal of impairment loss on trade receivables	(87)	-	(87)	-
Depreciation of property, plant and equipment	1,439	1,432	1,439	1,432
Dividend income	#	#	#	#
Loss/(Gain) on disposal of property, plant and equipment	#	(185)	#	(185)
Insurance claims	(26)	(181)	(26)	(181)
Interest expense	1,432	1,437	1,432	1,437
Interest income	(143)	(47)	(143)	(47)
Rental income	(79)	(79)	(79)	(79)
Rental of premises	60	60	60	60
Rental of equipment	15	13	15	13
Gain on foreign exchange - realised	(7)	-	(7)	-
- unrealised	(3)	-	(3)	-

Save as disclosed above, the other items as required under Appendix 9B Part A (16) of the Main Market Listing Requirements of Bursa Securities are not applicable

Note:

Less than RM500.00

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B6. Income Tax Expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.3.2014 RM'000	Preceding Year-Quarter 31.3.2013 RM'000	Current Year-To-Date 31.3.2014 RM'000	Preceding Year-To-Date 31.3.2013 RM'000
<u>Income tax</u>				
Current tax				
- for the financial period	1,675	1,819	1,675	1,819
Deferred tax				
- origination of temporary differences	93	245	93	245
- relating to change in income tax rate ⁽¹⁾	(127)	-	(127)	-
Tax expense	<u>1,641</u>	<u>2,064</u>	<u>1,641</u>	<u>2,064</u>

The effective tax rate for the current quarter and current financial year-to-date is higher than the statutory tax rate of 25% mainly due to certain expenses which are not deductible for tax purposes.

Note:

(1) Domestic income tax is calculated at the Malaysian statutory income tax rate of 25% of the estimated assessable profit for the financial year. In the Budget Speech 2014, the Government announced that the domestic corporate tax rate would be reduced to 24% from the current year's rate of 25% with effect from year of assessment 2016. The computation of deferred tax as at 31 March 2014 has reflected these changes.

B7. Status of Corporate Proposals

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

(i) Utilisation of Proceeds

The Public Issue raised a gross proceeds of RM35.59 million. The status of utilisation of proceeds raised from the Public Issue as at 31 March 2014 is as follows:

Purposes	Proposed utilisation ⁽¹⁾	Actual utilisation	Deviation		Balance	Intended timeframe for utilisation (from the listing date)
	RM'000	RM'000	RM'000	%	RM'000	
Purchase of new industrial land with building	13,000	(12,677)	(323) ⁽²⁾	(2.5%)	-	Within 1 year
Construction of new processing plant with warehousing facilities	6,000	-	-	-	6,000	Within 3 years
Purchase of new machines	6,000	-	-	-	6,000	Within 3 Years

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B7. Status of Corporate Proposals (Cont'd)

Purposes	Proposed utilisation ⁽¹⁾	Actual utilisation	Deviation		Balance RM'000	Intended timeframe for utilisation (from the listing date)
	RM'000	RM'000	RM'000	%		
Working capital	7,786	(7,655)	(131) ⁽²⁾⁽³⁾	(1.7%)	-	Within 1 year
Estimated listing expenses	2,800	(3,254) ⁽³⁾	454 ⁽³⁾	16.2%	-	Upon listing
Total gross proceeds	<u>35,586</u>	<u>(23,586)</u>	-	-	<u>12,000</u>	

Notes:

- (1) The proposed utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 13 May 2013.
- (2) In respect of excess of proposed utilisation over the actual early settlement sum (including a one-off fee of RM0.15 million levied by the bank for early settlement) for a term loan facility used to fund the purchase of the new industrial land with building. In accordance to the Prospectus dated 13 May 2013, any variation to the actual term loan and overdraft facility repayment shall be adjusted against the proposed utilisation for working capital.
- (3) Actual listing expenses incurred were more than the estimated listing expenses by RM0.45 million mainly due to higher printing and advertisement costs as well as other incidental costs incurred in connection to the listing exercise. In accordance to the Prospectus dated 13 May 2013, the excess of listing expenses shall be adjusted against the proposed utilisation for working capital.

B8. Group Borrowings

Total Group borrowings as at 31 March 2014 were as follows:-

	As at 31.03.2014 RM'000	As at 31.12.2013 RM'000
<u>Current</u>		
Secured:		
ABBA financing facilities	367	545
Bankers' acceptances	63,485	64,062
Hire purchase payables	1,533	1,705
Term loans	258	283
Bank overdrafts	9,730	14,791
	<u>75,373</u>	<u>81,386</u>
Unsecured		
Bankers' acceptances	45,925	53,190
Bank overdrafts	4,502	2,494
	<u>50,427</u>	<u>55,684</u>
	<u>125,800</u>	<u>137,070</u>

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B8. Group Borrowings (Cont'd)

	As at 31.03.2014 RM'000	As at 31.12.2013 RM'000
<i><u>Non-current</u></i>		
Secured:		
Hire purchase payables	428	514
Term loans	125	174
	553	688
Total Borrowings	126,353	137,758

The above Group borrowings are denominated in Ringgit Malaysia.

B9. Material Litigation

Since the last annual financial statements up to the date of issue of this report, the Group is not engaged in any material litigation or arbitration, either as plaintiff or defendant, which have a material effect on the financial position of our Group, and the Board does not know of any proceedings pending or threatened or of any fact likely to give rise to any proceeding which may materially and adversely affect the financial position or business of the Group.

B10. Dividend

No dividend has been recommended for the current quarter.

B11. Earnings Per Share

(a) Basic Earnings Per Share

The basic earnings per share for the current quarter and financial year-to-date are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.3.2014 RM'000	Preceding Year- Quarter 31.3.2013 RM'000	Current Year- To-Date 31.3.2014 RM'000	Preceding Year- To-Date 31.3.2013 RM'000
Profit attributable to owners of the Company	4,273	5,020	4,273	5,020
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	310,000	250,690	310,000	250,690
Basic Earnings Per Share (sen)	1.38	2.00	1.38	2.00

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B11. Earnings Per Share (Cont'd)

(b) Diluted Earnings Per Share

Diluted earnings per share is equivalent to basic earnings per share as the Company does not have any dilutive potential ordinary shares in issue for the current quarter and current financial year-to-date.

B12. Realised and Unrealised Profits/Losses Disclosure

The breakdown of the retained profits of the Group as at the end of the current quarter and previous financial year, into realised and unrealised profits, is as follows:-

	As at 31.03.2014 RM'000	As at 31.12.2013 RM'000
Total retained earnings of the Group		
(a) Realised	162,964	158,768
(b) Unrealised	(3,897)	(3,958)
	<hr/> 159,067	<hr/> 154,810
Less: consolidated adjustments	(2,800)	(2,816)
Total retained earnings	<hr/> <hr/> 156,267	<hr/> <hr/> 151,994

By order of the Board
Kuala Lumpur
27 May 2014