

## Interim Financial Statements for the First Quarter Ended 31 March 2015

**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income  
for the First Quarter Ended 31 March 2015**

(Unaudited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter <u>31/03/2015</u> RM'000	Preceding Year Corresponding Quarter <u>31/03/2014</u> RM'000	Current Year To-Date <u>31/03/2015</u> RM'000	Preceding Year Corresponding Period <u>31/03/2014</u> RM'000
Revenue	165,728	167,298	165,728	167,298
Operating expenses	(164,066)	(164,199)	(164,066)	(164,199)
Other operating income	7,679	1,728	7,679	1,728
Profit from operations	9,341	4,827	9,341	4,827
Finance costs	(1,435)	(1,506)	(1,435)	(1,506)
Profit before taxation	7,906	3,321	7,906	3,321
Taxation	(974)	(953)	(974)	(953)
<b>Profit after taxation</b>	<b>6,932</b>	<b>2,368</b>	<b>6,932</b>	<b>2,368</b>
Other comprehensive income				
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Available-for-sale financial assets	23	120	23	120
Currency translation differences	12	(1)	12	(1)
Other comprehensive income, net of tax	35	119	35	119
<b>Total comprehensive income</b>	<b>6,967</b>	<b>2,487</b>	<b>6,967</b>	<b>2,487</b>
Profit for the period attributable to:				
Owners of the parent	5,373	2,299	5,373	2,299
Non-controlling interests	1,559	69	1,559	69
	6,932	2,368	6,932	2,368
Total comprehensive income for the period attributable to:				
Owners of the parent	5,408	2,418	5,408	2,418
Non-controlling interests	1,559	69	1,559	69
	6,967	2,487	6,967	2,487
Earnings per share attributable to owners of the parent				
- Basic (sen)	7.41	3.17	7.41	3.17
- Diluted, sen	Not applicable	Not applicable	Not applicable	Not applicable

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014.

## Interim Financial Statements for the First Quarter Ended 31 March 2015

## Condensed Consolidated Statements of Financial Position as at 31 March 2015

	AS AT END OF CURRENT QUARTER <u>31/03/2015</u> Unaudited RM'000	AS AT PRECEDING FINANCIAL YEAR END <u>31/12/2014</u> Audited RM'000
<b>Non-current Assets</b>		
Property, plant and equipment	41,713	41,139
Investment properties	60,780	60,780
Land held for property development	7,178	7,178
Investments in associated companies	7	7
Other investments	734	711
Goodwill	819	819
Deferred tax assets	189	189
	<u>111,420</u>	<u>110,823</u>
<b>Current Assets</b>		
Development Expenditure	13,452	12,716
Inventories	21,413	25,121
Trade and other receivables	251,356	231,821
Taxation recoverable	967	1,281
Short term investments	5,223	5,223
Cash and cash equivalents	11,650	15,660
Asset classified as held for sale	-	940
	<u>304,061</u>	<u>292,762</u>
<b>Current Liabilities</b>		
Trade and other payables	127,385	121,229
Overdraft and short term borrowings	95,987	97,208
Taxation	1,373	1,067
	<u>224,745</u>	<u>219,504</u>
<b>NET CURRENT ASSETS</b>	<u>79,316</u>	<u>73,258</u>
	<u>190,736</u>	<u>184,081</u>
<b>FINANCED BY:</b>		
<b>Total Equity</b>		
Share capital	72,469	72,469
Share premium	3,457	3,457
Reserves	93,791	88,383
Equity attributable to owners of the parent	169,717	164,309
Non-controlling interests	7,850	6,291
	<u>177,567</u>	<u>170,600</u>
<b>Non-current Liabilities</b>		
Term Financing/Loan	10,166	11,116
Other deferred liabilities	1,517	879
Deferred tax liabilities	1,486	1,486
	<u>13,169</u>	<u>13,481</u>
	<u>190,736</u>	<u>184,081</u>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014.

## Interim Financial Statements for the First Quarter Ended 31 March 2015

## Condensed Consolidated Statements of Changes in Equity for the Fourth Quarter Ended 31 March 2015

(Unaudited)

	← Attributable to Owners of the Parent →				Total	Non-Controlling Interests	Total Equity
	Share Capital	Non-Distributable Share Premium	Other Reserves	Distributable Retained Profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>3 months ended</b>							
<b><u>31 March 2015</u></b>							
At 1 January 2015	72,469	3,457	556	87,827	164,309	6,291	170,600
Profit after taxation for the financial period	-	-	-	5,373	5,373	1,559	6,932
Other comprehensive income for the financial period, net of tax							
- Fair value changes of available-for-sale financial assets	-	-	23	-	23	-	23
- Foreign currency translation	-	-	12	-	12	-	12
Total comprehensive income for the financial period	-	-	35	5,373	5,408	1,559	6,967
At end of the financial period	72,469	3,457	591	93,200	169,717	7,850	177,567
<b>3 months ended</b>							
<b><u>31 March 2014</u></b>							
At 1 January 2014	72,469	3,457	203	76,126	152,255	6,290	158,545
Profit after taxation for the financial period	-	-	-	2,299	2,299	69	2,368
Other comprehensive income for the financial period, net of tax							
- Fair value changes of available-for-sale financial assets	-	-	120	-	120	-	120
- Foreign currency translation	-	-	(1)	-	(1)	-	(1)
Total comprehensive income for the financial period	-	-	119	2,299	2,418	69	2,487
At end of the financial period	72,469	3,457	322	78,425	154,673	6,359	161,032

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014.

## Interim Financial Statements for the First Quarter Ended 31 March 2015

## Condensed Consolidated Statements of Cash Flows for the First Quarter Ended 31 March 2015

(Unaudited)

	1.1.2015 to 31.3.2015 RM'000	1.1.2014 to 31.3.2014 RM'000
Cash flows from/(for) operating activities		
Profit before taxation	7,906	3,321
Adjustments for:-		
Non-cash items	(4,654)	569
Non-operating items	(203)	(356)
Operating profit before working capital changes	<u>3,049</u>	<u>3,534</u>
Net change in current assets	(16,562)	(14,323)
Net change in current liabilities	5,975	9,006
Cash flows from operations	<u>(7,538)</u>	<u>(1,783)</u>
Taxation paid	<u>(353)</u>	<u>(1,211)</u>
Net cash from/(for) operating activities	<u>(7,891)</u>	<u>(2,994)</u>
Cash flows for investing activities		
Equity investments	-	-
Other investments	6,231	272
Net cash for investing activities	<u>6,231</u>	<u>272</u>
Cash flows (for)/from financing activities		
Deposits pledged with a licensed bank	(340)	-
Repayment of term financing-i/loan	(6,032)	(950)
Repayment of hire purchase financing	(178)	(194)
Short term bank borrowings	5,986	24
Net cash (for)/from financing activities	<u>(564)</u>	<u>(1,120)</u>
Net increase/(decrease) in cash and cash equivalents	(2,224)	(3,842)
Cash and cash equivalents at beginning of financial period	(1,199)	6,614
Cash and cash equivalents at end of financial period	<u>(3,423)</u>	<u>2,772</u>

Cash and cash equivalent at the end of the financial period comprise of:

	31.3.2015 RM'000	31.3.2014 RM'000
Cash and bank balances	10,694	16,943
Bank overdrafts	(14,117)	(14,171)
	<u>(3,423)</u>	<u>2,772</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014.

**A EXPLANATORY NOTES AS PER FRS 134**

**A1. Accounting Policies**

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard 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 for the year ended 31 December 2014.

The accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent annual financial statements except for the adoption of the following accounting standards and amendments issued by the Malaysian Accounting Standards Board (“MASB”) effective for the Group’s current financial period. The adoption of these standards and amendments has no material impacts on the financial statements of the Group upon their initial application.

- Amendments to FRS 119: Defined benefits Plan – Employee Contributions
- Annual Improvements to FRSs 2010 – 2012 Cycle
- Annual Improvements to FRSs 2011 – 2013 Cycle

The Group has not applied in advance the following accounting standards and consequential amendments that have been issued by the MASB but are not yet effective for the Group’s current financial period:

- FRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)
- Amendments to FRS 10 and FRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to FRS 11 : Accounting for Acquisitions of Interests in Joint Operations
- Amendments to FRS 10, FRS 12 and FRS 128 (2011): Investment Entities – Applying the Consolidation Exception
- Amendments to FRS 101: Presentation of Financial Statements – Disclosure Initiative
- Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to FRS 127 (2011): Equity Method in Separate Financial Statements
- Annual Improvements to FRSs 2012 – 2014 Cycle

The adoption of the above accounting standards and interpretations (including the consequential amendments) is expected to have no material impact on the financial statements of the Group upon their initial application.

**A2. Audit Report**

The audit report of the most recent annual financial statements was not subject to any qualification.

**A3. Seasonal Or Cyclical Factors**

There is no major seasonality or cyclical in the Group's operations.

**A4. Unusual Items**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current interim period.

**A5. Changes In Estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

**A6. Debt And Equity Securities**

There were no share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current interim period.

**A7. Payment Of Dividend**

There was no payment of dividend for the quarter under review.

**A8. Segmental Reporting**

As at 31 March 2015

	Trading	Contract	Manufacture	Property Development	Property and Investment Holding	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	148,716	16,531	22	118	341	-	165,728
Profit/(Loss) from Operations	4,131	111	(266)	(110)	257	5,218	9,341
Finance costs							(1,435)
Profit before taxation							7,906
Income tax expenses							(974)
Profit after taxation							6,932

**A10. Property, Plant And Equipment**

Property, plant and equipment, other than freehold land are stated at cost less accumulated depreciation and any impairment losses. Freehold land is stated at cost less any impairment losses and is not depreciated.

**A11. Material Subsequent Events**

On 30 April 2015, Modular Equity Sdn Bhd (“ME”), a wholly-owned subsidiary of the Company entered into a Share Sales Agreement with Sunwell Engineering Sdn Bhd for the disposal of its entire shareholding interest of 100% in the capital of Johnson Fluid Engineering Sdn Bhd (“JFE”) at a total consideration of RM450,000 (“the Disposal”). Upon the completion of the Disposal, JFE cease to be a subsidiary of ME.

The Group have not reflected the financial impact from the Disposal on its current interim period but shall do so in its next interim financial statements.

**A12. Changes In Composition Of The Group**

There were no changes in the composition of the Group for the current interim period including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

**A13. Contingent Liabilities**

There are no material changes in contingent liabilities and contingent assets since the last annual balance sheet date.

**B. ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS****B1. Review Of Performance**

The Group recorded a turnover of RM166 million with a pre-tax profit of RM7.9 million for the three months ended 31 March 2015. Turnover improved by a marginal 0.9% while pre-tax profit was better by 138% compared to the corresponding period last year of RM3.3 million. The increase in pre-tax profit was greatly enhanced by the gain from the disposal of a subsidiary's factory as disclosed in Note B6 below.

**B2. Comparison With Preceding Quarter's Result**

Compared to the preceding quarter's turnover of RM157 million, the Group had increased its turnover by 5.7%. Pre-tax profit however was lower by 19.1% compared to the previous quarter's RM9.8 million. The previous quarter's result was augmented by the increase in fair value of the Group's investment properties.

**B3. Current Year Prospects**

Barring any unforeseen circumstances the Group expects its operations to remain stable.

**B4. Variances From Profit Forecast And Profit Guarantee**

The company did not make a profit forecast and therefore comments on variances with forecast profit are not applicable.

**B5. Taxation**

Taxation comprises the following:

	Individual Quarter <u>31/3/2015</u> RM'000	Cumulative Quarter <u>31/3/2015</u> RM'000
Malaysian income tax:		
Current year tax	974	974
Total income tax expense	<u>974</u>	<u>974</u>



**B7. Sale Of Investments And Properties**

On 1 October 2014, Control Instruments (M) Sdn Bhd, a partially-owned subsidiary of the Company entered into a Sale and Purchase Agreement and a Supplemental Agreement for the disposal of its factory on leasehold land and the related renovation and extension carried out to the factory at a total consideration of RM5,000,000 and RM1,600,000 respectively. The Group had in the previous financial year reclassified the asset as held for sale at a carrying value of RM940,104. The disposal was substantially completed in the quarter under review and after netting of all expenses and taxes paid in relation to the disposal, the subsidiary recognised a net gain of RM5,230,758.

**B7. Purchase Or Disposal Of Quoted Securities**

- a) There is no purchase or disposal of quoted securities for the current interim period.  
 b) Total investments in quoted shares as at 31 March 2015 are as below:

	<u>RM'000</u>
(i) At cost	2,699
(ii) At carrying value	206
(iii) At market value	206

**B8. Status Of Corporate Proposals**

On 24 July 2013, the Company announced that it has entered into a conditional Sale and Purchase Agreement with Maju Holdings SdnBhd ("MHSB") for the acquisition of 24 units of office lots located on levels 2 to 7 within Tower 3 of MajuLinq currently under development in Bandar Tasik Selatan, Kuala Lumpur ("Property") for an aggregate purchase consideration of RM25,675,200 ("Proposed Acquisition"). The purchase consideration will substantially be satisfied by way of settlement of the debts owed by MHSB and its subsidiaries to the Company and its subsidiaries. At the Extraordinary General Meeting on 13 November 2013, the shareholders approved the Proposed Acquisition. The proposed acquisition is expected to be completed in August 2015 upon the complete development of the MajuLinq project.

**B9. Group Borrowings And Debt Securities**

The group borrowings and debt securities which are denominated in Ringgit Malaysia as at 31 March 2015 are as below:

	<u>RM'000</u>
Secured	18,240
Unsecured	<u>77,747</u>
Total short term borrowings	95,987
Secured long term borrowings	<u>10,166</u>
Total borrowings	<u>106,153</u>

**B10. Off Balance Sheet Financial Instruments**

There are no financial instruments with off balance sheet risk as at the date of this report.

**B11. Material Litigation**

There is no pending material litigation as at the date of this report.

**B12. Dividend**

No dividend has been recommended by the Board of Directors..

**B13. Earnings Per Share**

The basic earnings per share for the financial period have been calculated by dividing the Group's earnings by the weighted average number of ordinary shares issued.

	Individual Quarter		Cumulative Quarter	
	<u>31/03/2015</u>	<u>31/03/2014</u>	<u>31/03/2015</u>	<u>31/03/2014</u>
Profit attributable to owners of the parent (RM'000)	5,373	2,299	5,373	2,299
Weighted average number of shares outstanding ('000)	72,469	72,469	72,469	72,469
Basic earnings per share (sen)	7.41	3.17	7.41	3.17

**B14. Realised and Unrealised Profits Disclosures**

The breakdown of the retained profits of the Group as at the end of the reporting period into realised and unrealised profits/(losses) are as below:

	As at	As at
	<u>31/03/2015</u>	<u>31/12/2014</u>
	RM'000	RM'000
Total retained profits		
- realised	67,754	62,382
- unrealised	25,488	25,487
	<u>93,242</u>	<u>87,869</u>
Total share of accumulated losses of associate		
- realised	(42)	(42)
- unrealised	-	-
	<u>93,200</u>	<u>87,827</u>

BY ORDER OF THE BOARD

Chan Lai Choon  
Secretary

Kuala Lumpur  
18 May 2015