

Part A-Explanatory Notes Pursuant to FRS 134

A1. Accounting policies and methods of computation

The interim financial report has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The figures for the quarter ended 31 January 2015 have not been audited.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2014. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year 31 October 2014.

A2. Seasonal or cyclical of interim operations

The Group's business operations were not affected by any seasonal or cyclical factors.

A3. Unusual items affecting assets, liabilities, equity, net income or cash flows

There are no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review.

A4. Material changes in estimates

There were no changes in the nature and amount of changes in estimates of amounts reported in the immediate preceding quarter or changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter under review.

A5. Capital management, issuances, repurchase, and repayment of debts and equity instruments

The Group's objective of managing capital are to safeguard the Group's ability to continue in operations as going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal structure to reduce the cost of capital. In order to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

The Group's strategy is to maintain a maximum gearing ratio of 50%. The ratio is calculated as the total liabilities to total equity.

The gearing ratios as at 31 January 2015 and 31 October 2014, which are within the Group's objectives for capital management, are as follows:

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As At	31-Jan-15	31-Oct-14 (Audited)
	RM'000	RM'000
Total borrowings	7,738	7,975
Total equity	76,900	75,288
Total capital	84,638	83,263
Gearing Ratio	10.1%	10.6%

There were no shares issued, shares cancellation, resale of treasury shares and repayments of debts and equity securities during the current quarter.

On 28 March 2007, approval has been obtained from the shareholders for the Company to buy-back its own shares. The authority granted by the shareholders was subsequently renewed in the Annual General Meeting held on 28 March 2014. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the share buy-back scheme can be applied in the best interest of the Company and its shareholders.

There were no changes to the treasury shares during the quarter under review.

A6. Dividends paid

There were no dividends paid during the quarter under review.

A7. Operating segment information

With the adoption of MFRS 8, Operating Segments, the Group has four reportable segments: Manufacturing and trading, property investment and investment holdings and joint property development.

Segment information for the financial period ended 31 January 2015	Manufacturing & Trading	Property Investment	Joint Property Development	Plantation	Total
	RM '000	RM '000	RM '000	RM '000	RM '000
Revenue from external customer	4,471	500	1,306	-	6,277
Intersegment revenue	-	-	-	-	-
Reportable segment profit / (loss)	1,073	263	799	(46)	2,089

Reconciliation of profit or loss

	RM '000
Total profit for reportable segments	2,089
Investment income	5
Gain on disposal of quoted investments	21
Net fair value gain on held for quoted shares	75
Interest income	105
Unallocated amounts:-	
Corporate expenses	(50)
Group's profit before income tax expense	2,245

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A8. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statement for the interim period.

A9. Effects of changes in composition of the Group

There were no changes to the composition of the Group during the interim period, including business combinations, acquisition and long term investments, restructuring and discontinuing operations.

A10. Changes in contingent liabilities and contingent assets since the date of statement of financial position of prior audited financial statement

Save as disclosed below, the Company is not aware of any contingent liabilities or contingent assets as at 31 January 2015 except as follow:-

	31-Oct-14 (Audited) RM '000	Changes RM '000	31-Jan-15 (Unaudited) RM '000
Total limit	11,500	0	11,500
Total utilised	7,975	-237	7,738

Contingent liabilities for corporate guarantee given by the Company to financial institutions for credit facilities granted to subsidiary companies

A11. Capital Commitment

There was no capital commitments not provided for in the financial statement as at 31 January 2015.

* End of Part A *

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Part B - Explanatory Notes Pursuant to BURSA MALAYSIA SECURITIES BERHAD,
Chapter 9 of the Listing Requirement, Part A of Appendix 9B.

B1. Detailed analysis of the performance the current quarter

RM '000	Individual quarter	
	Current year	Preceding year corresponding quarter
	31-Jan-15	31-Jan-14
Revenue		
Manufacturing & Trading	4,470	3,914
Property Investment	500	453
Property Development	1,306	303
Plantation	-	-
Profit/(Loss) before tax		
Manufacturing & Trading	1,073	(134)
Property Investment	263	179
Property Development	799	95
Plantation	(46)	(45)

For current quarter under review,

The Manufacturing segments recorded a pretax profit of RM 1.073 million from pretax loss of RM0.134 million incurred in preceding year corresponding quarter. This turnaround was mainly due to revenue increased by RM0.556 million and improved gross profit margin.

The Property Investment segments recorded higher pretax profit of RM0.263 million during the quarter under review as compared to preceding year corresponding quarter of RM0.179 million mainly due to rental revision and lower operation expenses.

The property development segment achieved a higher pretax profit of RM0.799 million as compared to preceding year corresponding quarter from the initial sales of 64 houses out of the total of 66 houses launched under the 21% profit sharing joint venture project.

The Plantation segment has not contributed any revenue as the trees are still immature.

B2. Comment on any material change in the profit before taxation as compared with immediate preceding quarter.

For the first quarter ended 31 January 2015, despite the sales and gross profit margin improved by 24.4% and 100.4% respectively, the Group recorded a lower pretax profit to RM 2.245 million compared to a pretax profit of RM 4.866 million achieved in the immediate preceding quarter.

The shortfall of pretax profit by RM 2.621 million was due to no fair value gain in the current quarter whereas immediate preceding quarter reported a fair value gain of RM 4.616 million from the investment properties revaluation.

B3. Current financial year's prospect

Barring unforeseen circumstances, the Boards foresee a challenging year ahead for the remaining quarters for current financial year. Nevertheless the Directors endeavor to maintain current performance.

B4. Profit forecast

There were no revenue or profits estimate, forecast, projection of internal targets announced or disclosed in a public document.

B5. Taxation

	Current Quarter RM '000	Year-to-date RM '000
Current Year	633	633
Prior Year	-	-
Deferred Taxation	-	-
Tax expense *	633	633

The effective tax rate for financial period ended 31 January 2015 was higher than the statutory tax rate of 25% mainly due to non-tax allowable expenses by certain subsidiaries during the quarter under review.

B6. Status of corporate proposals

There was no corporate proposal announced but not completed as at 31 January 2015.

B7. Group borrowings and debt securities

The group's borrowings as at 31 January 2015 as follows:-

RM '000	Secured	Unsecured	Total
Short term	1,021	-	1,021
Long term	6,717	-	6,717
Total	7,738	-	7,738

All borrowings are denominated in local currency.

There was no debt securities issued.

B8. Changes in material litigation

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

B9. Proposed Dividends

The Board of Directors proposed a final single-tier dividend of 2.0 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 October 2014, to be approved by the shareholders in next Annual General Meeting on 28 April 2015. The book closure date and payment date will be on 20 May 2015 and 28 May 2015 respectively, if approved in the forthcoming Annual General Meeting.

B10. Earnings per share

a. Basic

The calculation of the basic earnings per share is based on the Group's net profit attributable to the equity holders divided by the weighted average number of ordinary shares of RM1.00 each in issue during the year excluding the weighted average treasury shares held by the Company.

	Current Quarter	Year-to-date
Net profit / (loss) attributable to equity holders of the Company (RM '000)	1,612	1,612
Weighted average number of ordinary shares ('000)	36,577	36,577
Basic earning/(loss) per share (sen)	4.41	4.41

b. Diluted

Not applicable

B11. Audit report qualification and status of matters raised

The audit report of the Group's annual financial statements for the financial year ended 31 October 2014 did not contain any qualification.

B12. The profit / (loss) after tax was derived after charging / (crediting) the following:-

	Current Quarter RM'000	Year-To-Date RM'000
(a) interest income;	(105)	(105)
(b) other income including investment income;	(5)	(5)
(c) interest expense;	109	109
(d) depreciation of property, plant and equipment	444	444
(e) amortisation of deferred income	0	0
(f) amortisation of prepaid land lease payment	8	8
(g) auditors' remuneration	22	22
(h) realised (gain)/loss on foreign exchange	(33)	(33)
(i) unrealised (gain)/loss on foreign exchange	204	204
(j) rental expenses	2	2
(k) rental income	(41)	(41)
(l) net fair value (gain)/loss on held for quoted shares	(75)	(75)
(m) Amortisation of deferred income	60	60
(n) (Gain)/loss on disposal of quoted investment	(21)	(21)

B13. DISCLOSURES OF REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of retained earnings as at the reporting date, which has been prepared by the Directors in accordance with the directives from **Bursa Malaysia Securities Berhad** stated above and Guidance on Special Matter No. 1 issued on 20 December 2010 by the Malaysian Institute of Accountants, are as follows:-

As At	31-Jan-15
	RM'000
Realised	42,785
Unrealised	11,567
	<u>54,352</u>
Less: Consolidated adjustments	<u>(19,906)</u>
Retained earnings	<u>34,446</u>

BY ORDER OF THE BOARD

Ng Bee Lian
Company Secretary

Kuala Lumpur