

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2013

	As At End of Current Quarter 30.6.2013	(Audited) As At Preceding Financial Year End 31.12.2012
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	53,317	53,418
Goodwill	6,495	6,495
Deferred tax assets	278	278
	<u>60,090</u>	<u>60,191</u>
<b>Current Assets</b>		
Property development cost	229	229
Inventories	20,931	20,147
Trade and other receivables	136,628	130,796
Tax Recoverable	919	1,046
Cash and Cash Equivalents	17,510	18,720
	<u>176,217</u>	<u>170,938</u>
<b>Total Assets</b>	<u>236,307</u>	<u>231,129</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share Capital	107,480	107,480
Treasury shares	(145)	(144)
Retained Earnings	45,320	45,053
	<u>152,655</u>	<u>152,389</u>
<b>Minority Interest</b>	54	54
<b>Total Equity</b>	<u>152,709</u>	<u>152,443</u>
<b>Non-Current Liabilities</b>		
Long Term Borrowing	7,503	8,655
Long Term Provisions	1,124	1,073
<b>Total Non-Current Liabilities</b>	<u>8,627</u>	<u>9,728</u>
<b>Current Liabilities</b>		
Trade And Other Payables	23,572	17,974
Short Term Borrowings	50,972	50,638
Taxation	427	346
<b>Total Current Liabilities</b>	<u>74,971</u>	<u>68,958</u>
<b>Total Liabilities</b>	83,598	78,686
<b>Total Equity and Liabilities</b>	<u>236,307</u>	<u>231,129</u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)	<u>1.42</u>	<u>1.42</u>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st December 2012)

**SEACERA GROUP BERHAD ( Company No. 163751-H )**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2013**

	Current Quarter Ended 30.6.2013 RM'000	Corresponding Quarter Ended 30.6.2012 RM'000	Current Year to Date Ended 30.6.2013 RM'000	Corresponding Year to Date Ended 30.6.2012 RM'000
Revenue	28,476	20,666	49,979	45,860
Operating Expenses	(25,946)	(22,397)	(48,655)	(44,459)
Other income	318	32,107	1,163	32,107
Finance Cost	(961)	(872)	(1,857)	(2,085)
<b>Profit Before Taxation</b>	<b>1,887</b>	<b>29,504</b>	<b>630</b>	<b>31,423</b>
Taxation	(295)	(487)	(363)	(375)
<b>Net profit for the Period</b>	<b>1,592</b>	<b>29,017</b>	<b>267</b>	<b>31,048</b>
<b>Other comprehensive income for the year, net of tax</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>1,592</b>	<b>29,017</b>	<b>267</b>	<b>31,048</b>
<b>Attributable to :</b>				
Equity holders of the parent	1,592	29,017	267	31,048
Non-controlling Interest	-	-	-	-
<b>EPS</b>				
Net profit per share (sen)				
- Basic	1.48	29.14	0.25	31.18
- Diluted	1.48	29.14	0.25	31.18

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st December 2012)

SEACERA GROUP BERHAD ( Company No. 163751-H )

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES EQUITY  
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2013

Attributable to Equity Holders of the Parent

	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Total Reserves RM'000	Non- Distributable Treasury Shares RM'000	Minority interests RM'000	Total Equity RM'000
<b>Balance at 1 January 2012</b>	58,632	2,514	22,866	25,380	(52)	54	84,014
Total Comprehensive Income for the period	-	-	31,048	31,048	-	-	31,048
Issuance of shares	40,946	(2,514)	(9,447)	(11,961)	-	-	28,985
<b>Balance at 30 June 2012</b>	<u>99,578</u>	<u>-</u>	<u>44,467</u>	<u>44,467</u>	<u>(52)</u>	<u>54</u>	<u>144,047</u>
<b>Balance at 1 January 2013</b>	107,480	-	45,053	45,053	(144)	54	152,443
Shares buy back					(1)		(1)
Total Comprehensive Expense for the period			267	267			267
<b>Balance at 30 June 2013</b>	<u>107,480</u>	<u>-</u>	<u>45,320</u>	<u>45,320</u>	<u>(145)</u>	<u>54</u>	<u>152,709</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2012)

**SEACERA GROUP BERHAD ( Company No. 163751-H )**

Condensed Consolidated Cash Flow Statements  
For the period ended 30 June 2013

	<b>Current Period Ended 30.6.2013 (RM '000)</b>	<b>Corresponding Period Ended 30.6.2012 (RM '000)</b>
Profit before taxation	630	31,423
Adjustment for non-cash flow items	<u>3,499</u>	<u>(28,055)</u>
Operating profit before changes in working capital	4,129	3,368
Decrease in inventories	784	1,436
(Increase) in receivables	(4,722)	(45,385)
(Decrease)/Increase in payables	5,592	(8,741)
Changes flows (used in )/from operations	5,783	(49,322)
Incomes tax paid/refund	(363)	(335)
Interest paid	(1,857)	(2,085)
Interest received	245	209
Cash flow (used in) from operations	3,808	(51,533)
Proceeds from disposal of property, plant and equipment	(79)	41,670
Proceeds from rights issue	-	28,985
Purchase of property, plant and equipment	(1,756)	(192)
Net cash (used in)/ generated from investing activities	(1,835)	70,463
(Increase)in deposit pledged	(101)	(10,157)
Bank borrowing	(899)	(2,649)
Net cash from/(used in)Financing Activities	(1,000)	(12,806)
<b>Net Change in Cash &amp; Cash Equivalents</b>	<u>973</u>	<u>6,124</u>
Cash & Cash Equivalents at beginning of year	(3,420)	(3,420)
<b>Cash &amp; Cash Equivalents at end of period</b>	<u><u>(2,447)</u></u>	<u><u>2,704</u></u>
<b>Cash &amp; Cash Equivalents</b>	<b>2013</b>	<b>2012</b>
	<b>RM'000</b>	<b>RM'000</b>
REPO/Cash and bank balances	829	4,093
Deposits pledged with licensed bank	16,681	16,174
Cash and bank balances	<u>17,510</u>	<u>20,267</u>
Less:		
Deposits pledged with licensed bank	(16,681)	(16,174)
Bank overdrafts	(3,276)	(1,389)
Cash and cash equivalents	<u><u>(2,447)</u></u>	<u><u>2,704</u></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012)

SEACERA GROUP BERHAD (Company No: 163751-H)  
 INTERIM FINANCIAL REPORTING / STATEMENT FOR  
 THE SECOND QUARTER ENDED 30 JUNE 2013

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**A. Notes Required Under FRS 134**

**A1. Basis of preparation of financial statements**

This Interim Financial Statements are unaudited and has been prepared in accordance with FRS 134 "Interim Financial Reporting" issued by Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements and should be read in conjunction with the Group's annual audited financial statements for the financial year ended 31 December 2012. These explanatory notes accompanied the Interim Financial Statements provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last financial year ended 31 December 2012

**A2. Significant Changes in Accounting Policies**

Adoption of standards, Amendments and IC Interpretations

The Group adoption the following Standards, Amendments and IC Interpretations

Descriptions	Effective for annual periods beginning on or after	
MFRS 101	Presentation of Items of other Comprehensive Income (Amendments to MFRS101)	1 July 2012
MFRS 3	Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)	1 January 2013
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joints Agreements	1 January 2013
MFRS 12	Disclosure of interest in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits	1 January 2013
MFRS 127	Consolidated and Separate Financial Statements	1 January 2013
MFRS 128	Investment in Associate and Joint Ventures	1 January 2013
Amendments to MFRS 1	First-Time adoption of Malaysian Financial Reporting Standards-Government Loans	1 January 2013
Amendments to MFRS 1	First-Time adoption of Malaysian Financial Reporting Standards-(Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 7	Disclosures-Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to MFRS 11	Joint Arrangement: Transition Guidance	1 January 2013
Amendments to MFRS 12	Disclosure of Interest in other Entities: Transition Guidance	1 January 2013
Amendments to MFRS 101	Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 132	Financial Instruments: Presentation (Annual	1 January 2013

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Amendments to MFRS 134                      Improvements 2009-2011 Cycle)  
Interim Financial Reporting (Annual Improvements  
2009-2011 Cycle)                      1 January 2013

**A3. Qualification in Auditor's Report**

There are no qualifications in the Auditors' Report of the audited financial statements for year ended 31 December 2012 .

**A4. Seasonality or Cyclicity of Operations**

The Group's performance is directly related to the level of respective market activity especially the Tiles Division which normally experiences slowdown during festive seasons.

**A5. Unusual Items**

There are no unusual items affecting assets, liabilities, equity, net income or cash flow that are unusual because of their nature, sizes, or incidence that had affected the current quarter ended 30 June 2013 except as disclosed in the interim financial statements.

**A6. Material Changes in Estimates**

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter ended 30 June 2013.

**A7. Issuance, Cancellation, Repurchases, Resale & Repayments of Debt and Equity Securities**

On 30 June 2009, the Company had obtained approval from its shareholders to buy-back its own shares. The latest approval obtained for the renewal of share Buy-back Authority was on 27 June 2013.

On a cumulative basis, as at 30.6.2013, the Company has purchased 255,300 ordinary shares for RM145,172.86, representing in average RM0.57 per share.

None of the treasury shares held were resold or cancelled during the financial quarter.

**A8. Dividend Paid**

No dividend was paid during the current quarter under review.

**A9. Segmental Reporting**

Segment information is presented in respect of the Group business segments. The business segment is based on the Group's management and internal report structure. Segment information by geographical segments is not provided as the activities of the Group are located principally in Malaysia. Inter-segment pricing is determined based on negotiated terms.

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Segments result, asset and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets and expenses.

Business Segments

The Group is organized into the following business segments:-

- i) Tiles- manufacturing, trading and marketing of all kinds of ceramic and related products
- ii) BOPP Films – manufacturing of Biaxially Oriented Polypropylene films for packaging
- iii) Others – investment holding, property development and construction

The directors are of the opinion that all inter-segment transactions have been entered during the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

	Tiles RM'000	BOPP Films RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue-External	22,956	24,284	2,739		49,979
Operating profit/(loss)	(359)	1,648	35		1,324
Other income	1,124	39	-		1,163
Interest expenses	(1,497)	(360)	-		(1,857)
Profit/(loss) before taxation	(732)	1,327	35		630
Tax expenses	(300)	(63)	-		(363)
Net profit/(loss) for the period	(1,032)	1,264	35		267
Segments assets	271,088	50,791	73,164	(165,231)	229,812
Goodwill					6,495
Total assets					236,307
Segments liabilities	114,989	17,294	142,897	(191,582)	83,598
Depreciation and amortization	1,318	194	-		1,512

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*Geographical segments*

The Group's production facilities are located in Malaysia only.

In determining the geographical segment of the Group, revenue is based on the geographical location of customers.

	Revenue RM'000
Malaysia	40,748
Asean countries	4,023
Other countries	5,208
	<hr/>
	49,979

**A10. Valuations of Property, Plant & Equipment**

The property, plant and equipment have not been revalued since the previous annual audited financial statements.

**A11. Material Events Subsequent to End of Interim Period**

There were no material events subsequent to the end of the quarter under review that have not been reflected in the financial statements.

**A12. Changes in the Composition of the Group**

There was no change in the composition of the Group during the current quarter.

**A13. Capital Commitments**

Except as disclosed in notes B6, there were no other material capital commitments during the current quarter ended 30 June 2013.

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**B. Notes Required Under Bursa Malaysia Securities Berhad's Listing Requirements.**

**B1. Quarter vs Preceding Year Quarter**

The Group's revenue for the second quarter ended 30 June 2013 was higher by RM7.8million or 37% as compared to previous year of the corresponding quarter. Tiles Division recorded higher revenue by RM4.2 million or 44% as compared to previous year of the corresponding quarter. Higher revenue for the current quarter was mainly due to increase in sales volume and increase in average selling price. BOPP Division also recorded higher revenue by RM0.832 million or 7.48% as compared to previous year of the corresponding quarter. BOPP Division sales volume increase by 6.6% as compared to previous year corresponding quarter was the major factor for increase in sales for the current quarter.

The Group recorded lower profit before taxation for the second quarter ended 30 June 2013 of RM1.88million compared to profit before taxation of RM29 million in the previous year corresponding quarter. This was mainly due to the profit of RM32.1million from the sale of land recorded by Tiles Division in the corresponding quarter.

**B2. Material Changes for the Current and Preceding Quarter.**

The Group's revenue for the second quarter ended 30 June 2013 was higher by RM6.9 million or 32% compared to preceding quarter. Tiles Division recorded higher sales by RM4.5 million or 50% compared to the preceding quarter. BOPP Division revenue was lower by RM0.360 million or 2% compared to the preceding quarter.

The Group's profit before taxation for the current financial quarter of RM 1.5 million (31.3.2013: Loss before tax of RM1.25 million) was higher by RM2.75 million in comparison with preceding quarter. Tiles Division's profit before taxation RM0.390 million in the current quarter (31.3.2013: loss before taxation RM1.12million) was higher by RM1.51million in comparison with preceding quarter. BOPP Division recorded a marginally higher profit before taxation of RM0.678 million (31.3.2013: RM0.650 million) in comparison with preceding quarter. BOPP Division profit before taxation improved due to increase in gross profit margin by 0.8% in the current quarter as compared to preceding quarter.

**B3. Prospects**

The Board anticipates that the Year 2013 will be a challenging period for business environment in view of the intense competition in Malaysia and an uncertain global economic climate. The implementation of the minimum wages and minimum retirement age policies by the Group, as required by the law also resulted in higher operating expenses. However, with some measures to be undertaken and if materialized, the Board expects the performance for the current year to be satisfactory.

**B4. Provision of Profit Forecast of Profit Guarantee in Public Document**

The Group did not announce any profit forecast or profit guarantee in a public document.

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**B5. Taxation**

	<b>2013 Quarter ended 30 June RM '000</b>	<b>2012 Quarter ended 30 June RM '000</b>	<b>2013 Year to Date ended 30 June RM '000</b>	<b>2012 Year to date ended 30 June RM '000</b>
<b>Current year</b>				
- Income tax	295	487	363	375
	295	487	363	375

The higher tax rate compared to the statutory tax rate for the year to date was mainly due to loss incurred by companies within the Group.

**B6. Status of Corporate Proposals**

- a) On 5 April 2005, Seacera Properties Sdn. Bhd. (403089-X) ("SPSB") a wholly owned subsidiary of the company entered into a conditional Joint Venture Development Agreement ("JVDA") with Duta Skyline Sdn. Bhd. ("DSSB") to develop pieces of freehold land owned by DSSB. The JVDA is pending completion and is further extended to 31 December 2013 as certain conditions precedents have yet to be met.
- b) Conditional Sales and Purchase Agreement dated 15 May 2009 entered into between SPSB and DSSB. (338152-U) in relation to the purchase of a piece of freehold land identified as developer's plot no. M.S. 269/1996/5A, M.S.269/1996/6A and M.S.269/1996/7A measuring approximately 113.29 acres forming part of the land held under Geran 23940, Lot 613, Mukim Ulu Semenyih, District of Ulu Langat, Negeri Selangor Darul Ehsan for a total purchase consideration of RM26,750,000.00 only. The purchase was approved by the shareholders during the EGM held on 30 June 2009 and pending fulfillment of conditions precedents.
- c) On 10 April 2012, SPSB, a wholly owned subsidiary of the Company had entered into Sale and Purchase Agreement with DSSB to acquire a freehold land measuring approximately 137.97 acres identified as provisional plot no.M.S.269/1996/8A,M.S.269/1996/10A and M.S.269/1996/11A located at a piece of land held under Lot 613, Geran 23940, Mukim Ulu Semenyih, District of Ulu Langat, Selangor for a cash consideration of RM78.13million only. The purchase was approved by the shareholders at the EGM on 29 August 2012. As at the date of this report, the transaction is pending fulfillment of the conditions precedent.

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**B7. Group Borrowings**

Group borrowings consist of the following:

	<b>As at 30.6.2013 RM'000</b>
Dominated in Ringgit Malaysia	
<b>Secured</b>	
Long term borrowings	<u>7,503</u>
<b>Secured</b>	
Short term borrowings	29,077
Bankers acceptance	<u>21,895</u>
	<u>50,972</u>
<b>Total</b>	<u><b>58,475</b></u>

**B8. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments entered into by the Group as at the date of this report except for the Corporate Guarantee issued by Seacera in favour of the financiers' of the subsidiary companies for their banking facilities amounting to RM42.5 million.

**B9. Changes in the Material Litigation**

There were no other material litigation, claims or arbitration, either as plaintiff or defendant and the Directors have no knowledge of any proceedings pending or threatened against the Company and/or its subsidiaries or of any fact likely to give rise to any proceedings which might adversely and materially affect the financial position or business of the Company and/or its subsidiaries, save as disclosed below:

- a) Seacera Properties Sdn Bhd together with Duta Skyline Sdn. Bhd. (both referred to as "Plaintiff") are taking legal action against Mohamed Faisal bin Abdul Gaffar and Tetuan Faisal Gaffar & Co (both referred to as "Defendants") for negligently releasing the stakeholder deposit to a third party without the Plaintiff's knowledge.

The matters is fixed for continued trial on 24<sup>th</sup> and 26<sup>th</sup> of September 2013.

- b) On 30 May 2011, the Company has been served with a writ of summons dated 25 May 2011 by Syarikat Fu Yuen Sdn Bhd ("Plaintiff") in relation to the Sale and Purchase Agreement entered with the Plaintiff on 28 January 2011. The Plaintiff has claimed for certain declaration, liquidated damages in the sum of RM6.2 million and 8% interest rate per annum of the liquidated sum from the date of Judgement to full realization of the same. The plaintiff has alleged that the aforesaid agreement was unilaterally terminated and therefore, seeks damages for the said alleged termination. As announced on 11 July 2011, the Plaintiff has withdrawn the private caveats lodged against the Property.

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The judge had on 3<sup>rd</sup> June 2013 ruled that the claim by the plaintiff against the company be dismissed and the company be awarded RM30,000 in cost. Hence, the matter is now concluded in favour of the company.

**B10. Dividend**

The Board of Directors does not recommend any further dividend for the current quarter under review.

**B11. Earnings per Ordinary Share (EPS)**

The earnings per ordinary share of the Group as at the end of this period are calculated as follows:

	2013 Quarter ended 30 June RM'000	2012 Quarter ended 30 June RM'000	2013 Year to date ended 30 June RM'000	2012 Year to date ended 30 June RM'000
Net profit for the Period (RM'000)	1,592	29,017	267	31,048
No. of ordinary shares ('000)	107,480	99,578	107,480	99,578
Owner of the parent	1,592	29,017	267	31,048
Non-controlling interest	-	-	-	-
EPS (sen) - Basic	1.48	29.14	0.25	31.18
EPS (sen) - Diluted	1.48	29.14	0.25	31.18

**B12. Disclosure of realised and unrealised profits and losses**

Retained earning

	30 June 2013 RM'000	30 June 2012 RM'000
Total retained earnings of Seacera and its subsidiaries		
- Realised	59,655	53,958
- Unrealised	(301)	4,273
	59,354	58,231
Less : Consolidation adjustments	(15,625)	(13,764)
Total Group retained Earnings as per Consolidated Financial Statements	45,320	44,467

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**B13. Profit for the period /year**

	<b>2013 Quarter ended 30 June RM'000</b>	<b>2012 Quarter ended 30 June RM'000</b>	<b>2013 Year to date ended 30 June RM'000</b>	<b>2012 Year to date ended 30 June RM'000</b>
<b>Profit for the period/year after charging/(crediting):</b>				
Interest expense	961	872	1,857	2,085
Depreciation	759	961	1,512	1,831
Foreign exchange loss/(gain)	10	(101)	(34)	(38)
Interest income	(146)	(136)	(245)	(209)

**B14. Authorisation for issue**

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution by the Directors.