

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2014

	As At End of Current Quarter 30.9.2014	(Audited) As At Preceding Financial Year End 31.12.2013
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	48,221	45,777
Goodwill	2,999	2,999
Deferred tax assets	624	689
	<u>51,844</u>	<u>49,465</u>
Current Assets		
Property development cost	229	229
Inventories	14,684	11,732
Trade and other receivables	174,088	165,313
Tax Recoverable	1,269	668
Cash and Cash Equivalents	18,474	15,733
	<u>208,744</u>	<u>193,675</u>
Total Assets	<u>260,588</u>	<u>243,140</u>
EQUITY AND LIABILITIES		
Capital and Reserves		
Share Capital	176,295	107,480
Treasury shares	(174)	(174)
Retained Earnings	16,813	48,648
	<u>192,934</u>	<u>155,954</u>
Minority Interest	54	54
Total Equity	<u>192,988</u>	<u>156,008</u>
Non-Current Liabilities		
Long Term Borrowing	6,527	6,495
Long Term Provisions	817	762
Total Non-Current Liabilities	<u>7,344</u>	<u>7,257</u>
Current Liabilities		
Trade And Other Payables	28,151	41,619
Short Term Borrowings	31,348	37,990
Taxation	757	266
Total Current Liabilities	<u>60,256</u>	<u>79,875</u>
Total Liabilities	<u>67,600</u>	<u>87,132</u>
Total Equity and Liabilities	<u>260,588</u>	<u>243,140</u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)	<u>1.09</u>	<u>1.45</u>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st December 2013)

SEACERA GROUP BERHAD (Company No. 163751-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2014

	Current Quarter Ended 30.9.2014 RM'000	Restated Corresponding Quarter Ended 30.9.2013 RM'000	Current Year to Date Ended 30.9.2014 RM'000	Restated Corresponding Year to Date Ended 30.9.2013 RM'000
Revenue	17,948	13,552	47,471	38,110
Operating Expenses	(17,393)	(13,230)	(45,361)	(39,249)
Other income	223	157	12,410	2,407
Finance Cost	(406)	(769)	(1,237)	(2,266)
Profit/(Loss) Before Taxation	372	(290)	13,283	(998)
Taxation	(104)	(145)	(414)	(434)
Net profit/(loss) for the Period from continuing operation	268	(435)	12,869	(1,432)
Discontinued operation				
Profit from discontinued operation, net of tax	-	887	-	2,149
Profit for the period	268	452	12,869	717
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	268	452	12,869	717
Attributable to :				
Equity holders of the parent	268	452	12,869	717
Non-controlling Interest	-	-	-	-
EPS				
Net profit per share (sen)				
- Basic	0.15	0.42	7.30	0.67
- Diluted	0.15	0.42	7.30	0.67

(The Condensed Consolidated Statements of Profit or Loss and other Comprehensive Income should be read in conjunction with Annual Financial Report for the year ended 31st December 2013)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES EQUITY
FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2014**

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	Dividend paid RM'000	Total Equity RM'000
Balance at 1 January 2013	107,480		45,053	45,053	(144)	54	-	152,443
Shares buy back					(31)			(31)
Total Comprehensive Income for the period	-	-	717	717	-	-	-	717
Dividend paid			(2,413)	(2,413)				(2,413)
Balance at 30 Sept 2013	107,480	-	43,357	43,357	(144)	54		150,716
Balance at 1 January 2014	107,480	-	48,648	48,648	(174)	54	-	156,008
Issuance of bonus shares	39,425		(39,425)	(39,425)				-
Issuance of new shares	29,390							29,390
Total Comprehensive Income for the period			12,869	12,869	-	-	-	12,869
Dividend paid			(5,279)	(5,279)				(5,279)
Balance at 30 Sept 2014	176,295	-	16,813	16,813	(174)	54	-	192,988

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2013)

SEACERA GROUP BERHAD (Company No. 163751-H)

Condensed Consolidated Cash Flow Statements
For the period ended 30 September 2014

	Current Period Ended 30.9.2014 (RM '000)	Corresponding Period Ended 30.9.2013 (RM '000)
Profit before taxation	13,283	1,314
Adjustment for non-cash flow items	<u>2,561</u>	<u>5,820</u>
Operating profit before changes in working capital	15,844	7,134
(Increase)/Decrease in inventories	<u>(2,952)</u>	<u>(2,811)</u>
(Increase) in receivables	<u>(8,775)</u>	<u>(11,728)</u>
(Decrease)/Increase in payables	<u>(14,406)</u>	<u>17,278</u>
Changes flows (used in)/from operations	(10,289)	9,873
Incomes tax paid/refund	<u>(400)</u>	<u>(596)</u>
Interest paid	<u>(1,237)</u>	<u>(2,771)</u>
Interest received	<u>497</u>	<u>411</u>
Cash flow (used in)/generated from operations	(11,429)	6,917
Proceeds from disposal of property,plant and equipment	<u>-</u>	<u>202</u>
Proceeds from issuance of shares	<u>29,390</u>	<u>-</u>
Purchase of property, plant and equipment	<u>(4,950)</u>	<u>(2,011)</u>
Net cash (used in)/ generated from investing activities	24,440	(1,809)
(Increase)in deposit pledged	<u>(497)</u>	<u>(370)</u>
Dividend paid	<u>(5,279)</u>	<u>(2,413)</u>
Bank borrowing	<u>(6,610)</u>	<u>(2,717)</u>
Net cash from/(used in)Financing Activities	(12,386)	(5,500)
Net Change in Cash & Cash Equivalents	<u>625</u>	<u>(392)</u>
Cash & Cash Equivalents at beginning of year	(1,263)	(1,229)
Cash & Cash Equivalents at end of period	<u><u>(638)</u></u>	<u><u>(1,621)</u></u>
Cash & Cash Equivalents	2014	2013
	RM'000	RM'000
Cash and bank balances	1,893	796
Deposits pledged with licensed bank	<u>16,581</u>	<u>16,808</u>
Cash and bank balances	<u>18,474</u>	<u>17,604</u>
Less:		
Deposits pledged with licensed bank	(16,581)	(16,808)
Bank overdrafts	<u>(2,531)</u>	<u>(2,417)</u>
Cash and cash equivalents	<u><u>(638)</u></u>	<u><u>(1,621)</u></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2013)

SEACERA GROUP BERHAD (Company No: 163751-H)
INTERIM FINANCIAL REPORTING / STATEMENT FOR
THE THIRD QUARTER ENDED 30 SEPTEMBER 2014

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 2013. 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 2013.

A2. Significant Changes in Accounting Policies

The accounting policies applied by the Group in these interim financial statements are consistent with those applied by the Group in its annual financial statements as at and for the year ended 31 December 2013 except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs during the current financial period:

<u>Descriptions</u>	
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to MFRS 127	Separate Financial Statements(2011): Investments Entities
Amendments to MFRS 132	Financial Instruments Presentation – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets.
Amendments to MFRS 1	First-time adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)
Amendments to MFRS 3	Business Combinations(Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
Amendments to MFRS 8	Operating Segments(Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 13	Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment(Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 119	Employee Benefits-Defined Benefit Plans: Employee Contributions
Amendments to MFRS 124	Related Party Disclosures (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 138	Intangible Assets (Annual Improvements 2010-2012 Cycle)

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A3. Qualification in Auditor's Report

There are no qualifications in the Auditors' Report of the audited financial statements for year ended 31 December 2013.

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 September 2014 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 September 2014.

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 30 June 2014.

On a cumulative basis, as at 30.9.2014, the Company has purchased 301,000 ordinary shares for RM176,472.13, representing in average RM0.59 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.

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.

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Business Segments

The Group is organized into the following business segments:-

- i) Tiles- manufacturing, trading and marketing of all kinds of ceramic and related building material products.
- ii) 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	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue-External	46,571	900		47,471
Operating profit/(loss)	2,488	(378)		2,110
Other income	12,410	-		12,410
Interest expenses	(1,237)	-		(1,237)
Profit/(loss) before taxation	13,661	(378)		13,283
Tax expenses	(414)	-		(414)
Net profit/(loss) for the period	13,247	(378)		12,869
Segments assets	357,125	136,124	(235,660)	257,589
Goodwill				2,999
Total assets				260,588
Segments liabilities	97,352	76,425	(106,177)	67,600
Depreciation and amortization	2,506	-		2,506

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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	38,309
Asean countries	2,795
Other countries	6,367
	<hr/>
	47,471

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 under review.

A13. Capital Commitments

Except as disclosed in notes B6, there were no other material capital commitments during the current quarter ended 30 September 2014.

SEACERA GROUP BERHAD (Company No: 163751-H)
INTERIM FINANCIAL REPORTING / STATEMENT FOR
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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 September 2014 was higher by RM4.39 million or 32% as compared to previous year of the corresponding quarter. Tiles Division recorded higher sales by RM3.49million (2014:RM17.05million) or 25% as compared to previous year of the corresponding quarter (2013:RM13.55million). Properties Division recorded RM0.9million of revenue in the current quarter.

The Group recorded higher profit before taxation for the third quarter ended 30 September 2014 of RM0.372 million compared to loss before taxation of RM0.290 million in the previous year corresponding quarter. The higher profit in current quarter was mainly due to higher revenue for the Tiles Division.

B2. Material Changes for the Current and Preceding Quarter.

The Group's revenue for the third quarter ended 30 September 2014 was higher by RM2.11 million (30.6.2014: Revenue of RM 15.84 million) or 13% higher compared to the preceding quarter. Higher revenue in Tiles Division was mainly due from more supply of building materials to project are secured in the current quarter under review.

However the Group's profit before taxation for the current financial quarter of RM0.372 million (30.6.2014: Profit before tax of RM1.8 million) was lower by RM1.44 million in comparison with preceding quarter. The lower profit was related to lower net profit margin for sales of tiles products.

B3. Prospects

The Board anticipates that the Year 2014 will be a challenging period for business environment in view of the intense competition in Malaysia and an uncertain global economic climate. The increase and changes in certain industrial tariff of utilities by the authorities will also resulted in higher operating expenses. However, with some positive 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

	2014 Quarter ended 30 Sept RM '000	2013 Quarter ended 30 Sept RM '000	2014 Year to Date ended 30 Sept RM '000	2013 Year to date ended 30 Sept RM '000
Current year				
- Income tax	104	145	414	434
	<hr/> 104	<hr/> 145	<hr/> 414	<hr/> 434

The effective tax rate is lower than the statutory tax rate was mainly due to certain gain which was exempted from tax.

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 2014 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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- d) On 21 March 2014, Seacera Land Sdn Bhd("Seacera Land "or "Purchaser"),a wholly owned subsidiary of Seacera Group Berhad had entered into a conditional sale and purchase agreement ("SPA") with Sri Alai Sdn Bhd("Sri Alai" or "Vendor") to acquire one piece of leasehold land known as PN 51102, Lot No. 4863, Mukim of Alai, District of Melaka Tengah, State of Melaka measuring approximately 15.23 hectares (about 37.63acres) ("Land"), for a total purchase consideration of RM32,750,000 ("Purchase Consideration") to be satisfied partly via cash of RM6,000,000 and balance via issuance of RM26,750,000 new ordinary shares of RM1.00 each in Seacera("Seacera Share(s)")(Consideration Share(s)) at par based on the term and conditions of the SPA. This proposal is pending fulfillment of the conditions precedent.
- e) On 6 June 2014, the Company had entered into a Memorandum of Understanding ("MOU") with Sinohydro Corporation Limited("Sinohydro"),Shanghai Construction Group Co. Ltd("SCG") and SPAZ Sdn Bhd("SPAZ") to form a joint venture for the purpose of jointly preparing and submitting response to the prequalification and bidding for the Proposed Warisan Merdeka Project in Kuala Lumpur("Project") in the mode of financing plus Engineering, Procurement and Construction("EPC" mode).On 8 October 2014, an announcement was made that the Company, Sinohydro, SCG and SPAZ were prequalified to submit the tender bid for the project. There is no major development of the MOU since the last announcement.
- f) On 24 June 2014, the Company had entered into the Memorandum of Understanding ("MOU") with Intelligent Fence (M) Sdn Bhd.("IFSB") to record the understanding of Seacera and IFSB to participate in the tender under Public Private Partnership ("PPP") to Home Ministry of Malaysia to build, operate and transfer an electric security fence along the national boarder of Malaysia and Thailand which is approximately 506 kilometres (Proposed Project"). There is no major development of the MOU since the last announcement.

B7. Group Borrowings

Group borrowings consist of the following:

	As at 30.9.2014 RM'000
Dominated in Ringgit Malaysia	
Secured	
Long term borrowings	<u>6,527</u>
Secured	
Short term borrowings	19,702
Bankers acceptance	<u>11,646</u>
	<u>31,348</u>
Total	<u>37,875</u>

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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 RM24.5million.

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.

B10. Dividend

The Board of Directors does not recommend any 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:

	2014 Quarter ended 30 Sept RM'000	2013 Quarter ended 30 Sept RM'000	2014 Year to date ended 30 Sept RM'000	2013 Year to date ended 30 Sept RM'000
Net profit for the Period (RM'000)	268	452	12,869	717
No. of ordinary shares ('000)	176,295	107,480	176,295	107,480
Owner of the parent	268	452	12,869	717
Non-controlling interest	-	-	-	-
EPS (sen) - Basic	0.15	0.42	7.30	0.67
EPS (sen) - Diluted	0.15	0.42	7.30	0.67

SEACERA GROUP BERHAD (Company No: 163751-H)
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B12. Disclosure of realised and unrealised profits and losses

Retained earning	2014 30 Sept RM'000	2013 30 Sept RM'000
Total retained earnings of Seacera and its subsidiaries		
- Realised	30,601	53,382
- Unrealised	(2,999)	(278)
	27,602	53,104
Less : Consolidation adjustments	(10,789)	(9,747)
Total Group retained Earnings as per Consolidated Financial Statements	16,813	43,357

B13. Profit for the period

	2014 Quarter ended 30 Sept RM'000	2013 Quarter ended 30 Sept RM'000	2014 Year to date ended 30 Sept RM'000	2013 Year to date ended 30 Sept RM'000
Profit for the period/year after charging/(crediting):				
Interest expense	406	769	1,237	2,266
Depreciation	854	699	2,506	2,040
Foreign exchange loss/(gain)	(65)	(231)	25	(148)
Interest income	(136)	(166)	(497)	(411)

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.