

**TA WIN HOLDINGS BERHAD (Company No. 291592-U)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**

	Note	Current quarter 3 months ended		Cumulative quarter 12 months ended	
		31-Dec-13 RM'000	31-Dec-12 RM'000	31-Dec-13 RM'000	31-Dec-12 RM'000
Revenue	10	129,606	150,597	533,828	539,541
Cost of sales		(126,892)	(148,242)	(521,440)	(536,087)
<b>Gross profit</b>		<u>2,714</u>	<u>2,355</u>	<u>12,388</u>	<u>3,454</u>
Other income		247	428	481	618
Selling and distribution expenses		(537)	(616)	(2,334)	(2,289)
Administrative expenses		(1,877)	(2,855)	(4,294)	(8,972)
Profit/(Loss) from operations		<u>547</u>	<u>(688)</u>	<u>6,241</u>	<u>(7,189)</u>
Finance costs		(943)	(781)	(2,888)	(3,002)
<b>Profit/(Loss) before tax</b>	10	<u>(396)</u>	<u>(1,469)</u>	<u>3,353</u>	<u>(10,191)</u>
Income Tax Expense	19	(575)	(1,478)	(575)	(1,478)
<b>Net Profit/(Loss) for the year</b>		<u>(971)</u>	<u>(2,947)</u>	<u>2,778</u>	<u>(11,669)</u>
<b>Other comprehensive income, net of tax</b>					
Foreign currency translation differences for foreign operations		467	(235)	1,375	(200)
Revaluation of land and buildings		50	382	50	382
<b>Other comprehensive income/(loss), for the year, net of tax</b>		<u>517</u>	<u>147</u>	<u>1,425</u>	<u>182</u>
<b>Total comprehensive income/(loss) for the year</b>		<u>(454)</u>	<u>(2,800)</u>	<u>4,203</u>	<u>(11,487)</u>
<b>Total profit/(loss) attributable to:</b>					
Equity holders of the parent		<u>(971)</u>	<u>(2,947)</u>	<u>2,778</u>	<u>(11,669)</u>
<b>Total comprehensive income/(loss) attributable to:</b>					
Equity holders of the parent		<u>(454)</u>	<u>(2,800)</u>	<u>4,203</u>	<u>(11,487)</u>
Earning per share (sen)					
- Basic	28	(1.51)	(4.58)	4.32	(18.15)
- Diluted	28	N/A	N/A	N/A	N/A

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial

**TA WIN HOLDINGS BERHAD (Company No. 291592-U)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2013**

		<b>AS AT END OF CURRENT QUARTER 31-Dec-13 RM'000</b>	<b>AUDITED AS AT PRECEDING FINANCIAL YEAR END 31-Dec-12 RM'000</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	38,854	39,620
Investment property		1,350	1,300
		40,204	40,920
<b>CURRENT ASSETS</b>			
Inventories		46,407	44,281
Trade receivables		48,109	60,921
Other receivables, prepayment and deposits		1,875	5,019
Cash and bank balances		22,131	18,188
		118,522	128,409
<b>TOTAL ASSETS</b>		158,726	169,329
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		64,286	64,286
Share premium		1,798	1,798
Foreign exchange reserve		1,617	242
Revaluation reserve		11,258	11,258
Accumulated losses		(14,649)	(17,427)
<b>TOTAL EQUITY</b>		64,310	60,157
<b>CURRENT LIABILITIES</b>			
Borrowings	22	56,591	74,271
Trade payables		18,777	17,867
Other payables		19,048	17,034
		94,416	109,172
<b>TOTAL LIABILITIES</b>		94,416	109,172
<b>TOTAL EQUITY AND LIABILITIES</b>		158,726	169,329
Net assets per share		1.00	0.94

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**TA WIN HOLDINGS BERHAD (Company No. 291592-U)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**

←— Attributable to Equity Holders of the Parent —→  
 ←— Non-Distributable —→

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Foreign exchange reserve RM'000	Accumulated losses RM'000	Total RM'000
<b>At 1 January 2013</b>	64,286	1,798	11,258	242	(17,427)	60,157
<b>Total comprehensive income for the year</b>	-	-	-	1,375	2,778	4,153
<b>At 31 December 2013</b>	<u>64,286</u>	<u>1,798</u>	<u>11,258</u>	<u>1,617</u>	<u>(14,649)</u>	<u>64,310</u>
<b>At 1 January 2012</b>	64,286	1,798	10,876	442	(5,758)	71,644
<b>Total comprehensive loss for the year</b>	-	-	382	(200)	(11,669)	(11,487)
<b>At 31 December 2012</b>	<u>64,286</u>	<u>1,798</u>	<u>11,258</u>	<u>242</u>	<u>(17,427)</u>	<u>60,157</u>

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**TA WIN HOLDINGS BERHAD (Company No. 291592-U)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**

	<b>12 months ended 31-Dec-13 RM'000</b>	<b>12 months ended 31-Dec-12 RM'000</b>
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Profit/ (loss) before tax	3,353	(10,191)
Adjustments for:		
Depreciation of property, plant and equipment	4,731	5,171
Impairment loss of trade receivables		-
Bad debts written off		-
Gain on disposal of property, plant and equipment	(15)	-
Property, plant and equipment written off	-	23
Gain from fair value adjustment of investment property	(50)	(400)
Interest expenses	2,888	3,002
Interest income	(78)	(1)
Unrealised exchange loss/(gain)	753	2,224
Operating cash flows before changes in working capital	<u>11,582</u>	<u>(172)</u>
Receivables	12,059	1,947
Other current assets	1,018	(3,733)
Payables	3,559	(7,252)
Cash from/(used in) operating activities	<u>28,218</u>	<u>(9,210)</u>
Income tax paid	(635)	(39)
Income tax refunded	-	16
Interest received	78	1
Interest paid	(2,888)	(3,002)
Net cash from/(used in) operating activities	<u>24,773</u>	<u>(12,234)</u>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(549)	(1,228)
Proceeds from disposal of property, plant and equipment	15	-
Net cash flows used in investing activities	<u>(534)</u>	<u>(1,228)</u>
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		
Proceeds from loans and borrowings	35,525	14,006
Repayment of loans and borrowings	(55,373)	(4,570)
Net cash flows (used in)/from financing activities	<u>(19,848)</u>	<u>9,436</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	4,391	(4,026)
<b>At beginning of financial year</b>	18,188	19,702
<b>Effect of exchange rates changes</b>	(448)	790
<b>At end of financial year</b>	<u>22,131</u>	<u>16,466</u>
<b>Cash and cash equivalents comprise:</b>		
<b>Cash and bank balances</b>	22,131	18,188
<b>Bank Overdraft (included under short term borrowings)</b>	-	(1,722)
<b>Net cash and bank balances</b>	<u>22,131</u>	<u>16,466</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**Part A - Selected explanatory Notes Pursuant to MFRS 134**

**1. Basis of Preparation**

These condensed consolidated 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) and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 : Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012. These explanatory notes attached to 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 Group since the financial year ended 31 December 2012.

**2. Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2012 except for the adoption of the following Malaysian Financial Reporting Standards ("MFRSs"), Amendments to MFRSs, Issues Committee Interpretations ("IC Interpretations") and Statement of Principles.

	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 101 : Presentation of Financial Statements ( Presentation of Items of Other Comprehensive Income)	1 July 2012
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
MFRS 3 : Business Combinations (IFRS 3 issued by IASB in March 2004)	1 January 2013
Amendments to MFRS 7 : Financial Instruments : Disclosures (Offsetting Financial Assets and Financial Liabilities)	1 January 2013
MFRS 10 : Consolidated Financial Statements	1 January 2013
Amendments to MFRS 10 : Consolidated Financial Statements (Transition Guidance)	1 January 2013
MFRS 11 : Joint Arrangements	1 January 2013
Amendments to MFRS 11: Joint Arrangements (Transition Guidance)	1 January 2013
MFRS 12 : Disclosure of Interests in Other Entities	1 January 2013
Amendments to MFRS 12 : Disclosure of Interests in Other Entities (Transition Guidance)	1 January 2013
MFRS 13 : Fair Value Measurement	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
MFRS 119 : Employee Benefits	1 January 2013
MFRS 127 : Consolidated and Separate Financial Statements (IAS 27 as amended by IASB in December 2003)	1 January 2013
MFRS 128 : Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 132 : Financial Instruments : Presentation (Annual Improvements 2009 -2011 Cycle)	1 January 2013
Amendments to MFRS 134 : Interim Financial Reporting (Annual Improvements 2009 - 2011 Cycle)	1 January 2013
Amendments to IC Int. 2 : Members' Shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009 - 2011 Cycle)	1 January 2013
IC Interpretation 20 : Stripping Costs in the Production Phase of as Surface Mine	1 January 2013

The adoption of the above MFRS, amendments to MFRS and IC Interpretations do not have significant impact on the financial statements, position or presentation of financials of the Group and the Company in the period of initial application, except for amendments to MFRS 7 : Disclosures : Offsetting Financial Assets and Financial Liabilities. The principal effects of the changes in accounting policies resulting from the adoption of amendments to MFRS 7 : Disclosures : Offsetting Financial Assets ad Financial Liabilities are summarised below:

(a) Amendments to MFRS 7 : Disclosures : Offsetting Financial Assets and Financial Liabilities is effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. An entity shall provide the disclosures required by those amendments retrospectively. Disclosures are required for all recognised financial asset and financial liability that are set off and the net amount presented in the statement of financial position when, and only when, an entity currently has a legally enforceable right to set off the recognised amounts and it intends to either to settle on a net basis or to realise the asset and settle the liability simultaneously.

An entity shall disclose at the of the reporting period, the following quantitative information separately for recognised financial assets and recognised financial liabilities:

- (i) the gross amounts of those recognised financial assets and recognised financial liabilities;
- (ii) the amounts that are set off when determining the net amounts presented in the statement of financial position;
- (iii) the net amounts presented in the statement of financial position;
- (iv) the amounts subject to an enforceable master netting arrangement or similar agreement that are not otherwise included in item (ii) including amounts related to recognised financial instruments that do not meet some or all of the offsetting criteria and amounts related to financial collateral (including cash collateral)
- (v) the net amount after deducting the amounts in (iv) from the amounts in (iii)

To meet the objectives, an entity may need to supplement additional (qualitative disclosures), depending on the terms of the enforceable master netting arrangements and related arrangements, including the nature of the rights to set-off and their effect or potential effect on the entity's financial position.

#### **Standards and interpretations issued but not yet effective**

As at 30 June 2013, the following MFRS, amendments to MFRS and IC Interpretations that have been issued but not yet effective :

	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 132 : Financial Instruments : Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 10 : Consolidated Financial Statements (Investment Entities)	1 January 2014
Amendments to MFRS 12 : Disclosure of Interests in Other Entities (Investment Entities)	1 January 2014
Amendments to MFRS 127 : Consolidated and Separate Financial Statements (Investment Entities)	1 January 2014
Amendments to MFRS 9 : Financial Instruments	1 January 2015

### **3. Audit Qualification of Preceding Annual Financial Statements**

The auditors' report on the annual audited financial statements for the financial year ended 31 December 2012 was not qualified.

### **4. Comments About Seasonal or Cyclical Factors**

The sales of enamelled copper wire and copper rods/wire are not subject to cyclical or seasonal factors.

### **5. Unusual Items Due to their Nature, Size or Incidence**

There were no items affecting assets, liabilities, equity, net income, or cash flows of the Group that are unusual because of their nature, size or incidence.

### **6. Changes in Estimates**

There were no significant changes in estimates that had a material effect in the current quarter.

### **7. Debt and Equity Securities**

There were no issuance and repayment of debts and equity securities or share cancellation in the current interim period under review. The company has not implemented any share buy back scheme and it does not hold any shares as treasury shares during the current financial period.

### **8. Dividend Paid**

No dividend was paid in the current financial period under review.

### **9. Carrying Amount of Revalued Assets**

The valuation of property, plant and equipment had been brought forward without amendment from the financial statements for the year ended 31 December 2012.

## 10. Segmental Reporting

Segment information for the twelve months ended 31 December 2013 is as follow:-

	Malaysia RM'000	Hong Kong RM'000	People's Republic of China RM'000	Other RM'000	Eliminations RM'000	Total RM'000 31/12/13	Total RM'000 31/12/12
<b>Revenue</b>							
External sales	456,741	24,817	76,500	-	(24,230)	533,828	539,541
Inter-segment sales	(23,988)	-	(242)	-	24,230	-	-
Total revenue	432,753	24,817	76,258	-	-	533,828	539,541
<b>Results</b>							
Operating profit/(loss)	(4,125)	(132)	(2,594)	183	12,909	6,241	(7,189)
Finance costs	(1,880)	(245)	(544)	(275)	56	(2,888)	(3,002)
Profit / (loss) before tax	(6,005)	(377)	(3,138)	(92)	12,965	3,353	(10,191)
Income tax expenses	(675)	-	-	-	100	(575)	(1,478)
Profit /(loss) for the period	(6,680)	(377)	(3,138)	(92)	13,065	2,778	(11,669)
<b>Assets</b>							
Segment assets	216,716	1,099	55,830	28,561	(143,480)	158,726	169,329
<b>Liabilities</b>							
Segment liabilities	74,149	27,591	(5,883)	249	(1,690)	94,416	109,172

## 11. Subsequent Event

There were no material events subsequent to the end of the current quarter ended 31 December 2013 until the date of this

## 12. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter. This included business combinations, acquisitions or disposal of subsidiaries, and long term investment, restructuring, and continuing operation.

## 13. Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2012 except for the following :

a)	31.12.2013 RM'000	31.12.2012 RM'000
Bank guarantees issued to third party by a subsidiary company	840	840

These are bank guarantees issued to utility supplier, mainly for security deposits and payment guarantees.

- b) The company has issued various corporate guarantees totalling RM45.0 million in favour of various financial institutions for the banking facilities extended to a subsidiary company. The amount of banking facilities utilised as at 31 December 2013 is RM 44.451 million.

## 14. Capital Commitments

There were no material capital commitments entered by the Group in this current quarter ended 31 December 2013.

**15. Performance Analysis**

Segment	3 months ended		12 months ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
<b>Malaysia</b>				
Revenue	99,711	128,124	432,753	437,439
Profit/(loss) before tax	799	(644)	6,856	(7,335)
<b>Hong Kong</b>				
Revenue	6,190	6,928	24,817	35,408
Profit/(loss) before tax	(83)	(167)	(407)	(491)
<b>People's Republic of China</b>				
Revenue	23,705	15,545	76,258	66,694
Profit/(loss) before tax	(1,072)	(417)	(2,958)	(2,047)
<b>Other</b>				
Revenue	-	-	-	-
Profit/(loss) before tax	(40)	(241)	(138)	(318)
<b>Group Total</b>				
Revenue	129,606	150,597	533,828	539,541
Profit/(loss) before tax	(396)	(1,469)	3,353	(10,191)

For the 12 months ended 31 December 2013, the Group recorded an decrease in revenue of RM5.713 million to RM 533.828million, from RM 539.541 million in the same corresponding year ended 31 December 2012. The decrease of revenue was due to lower average selling price during the current year which are quoted on the London Metal Exchange (LME). The Group recorded a profit before tax of RM 3.353 million in the current financial year as compared to a loss before tax of RM 10.191 million in the same corresponding year ended 31 December 2012. The higher profit was mainly contributed by the gain in foreign exchange rates.

**16. Comparison with immediate Preceding Quarter's results**

Segment	3 months ended	
	31.12.2013	30.09.2013
	RM'000	RM'000
<b>Malaysia</b>		
Revenue	99,711	108,614
Profit/(loss) before tax	799	2,895
<b>Hong Kong</b>		
Revenue	6,190	7,145
Profit/(loss) before tax	(83)	(29)
<b>People's Republic of China</b>		
Revenue	23,705	21,164
Profit/(loss) before tax	(1,072)	(864)
<b>Other</b>		
Revenue	-	-
Profit/(loss) before tax	(40)	(5)
<b>Group Total</b>		
Revenue	129,606	136,923
Profit/(loss) before tax	(396)	1,997

For the fourth quarter under review, the Group's revenue decreased by 5.34% to RM 129.606 million as compared to RM 136.923 million in the preceding quarter. The group registered a loss before tax of RM396.0 thousand during the fourth quarter as compared to a profit before tax of RM 1.997 million in the previous quarter. The sales decrease in fourth quarter was mainly due to the maintenance of copper rod machine and subsequently slow down production volume.

Other than the above factor affecting the changes in the profit before tax for the current quarter, there were no other material factors which may be able to influence the Group's bottomline significantly, other than those mentioned above.



## 17. Commentary on Prospects

The copper rod and wire industry will continue to be a challenge due to the intense competition and the fluctuations of the copper prices at London Metal Exchange ("LME") and these fluctuations will continue to be of concern in the near future amidst the market volatility in the global economy. The fluctuations in copper prices remain the highest concern as it is the major determinant of profitability of the Group. Meanwhile, the management will constantly monitor the LME copper prices and exchange rates to control the material cost.

The Group believes in maintaining a close business relationship with all its customers, especially the major customers. It is still making initiatives to explore new overseas market potential. Meantime, the management will continue with its measures to control its operational costs by enhancing productivity with the same workforce and machineries.

## 18. Profit Forecast or Profit Guarantee

There was neither a profit forecast nor a profit guarantee issued by the Company for the current financial year ending 31 December 2013.

## 19. Income Tax Expense

There is no tax on business income mainly due to the unabsorbed business losses brought forward.

## 20. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties for the financial period ended 31 December 2013.

## 21. Corporate Proposals

There was no corporate proposal which was announced and not completed as at the date of this announcement.

## 22. Borrowings and Debt Securities

	As at 31.12.2013 RM'000	As at 31.12.2012 RM'000
<b>Short term borrowings</b>		
Secured	46,234	50,086
Unsecured	10,357	24,185
	<u>56,591</u>	<u>74,271</u>
 Borrowings denominated in foreign currency:		
	<b>Foreign Currency '000</b>	<b>RM'000 Equivalent</b>
<b>Secured</b>		
Ringgit Malaysia		46,234
Chinese Renminbi ("RMB")	19,239	10,357
 Total		<u><u>56,591</u></u>

## 23. Derivative Financial Instruments

There was no derivative financial instrument issued as at the end of the current quarter.

## 24. Changes in Material Litigation

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

## 25. Dividend

No dividend was recommended for the current financial period under review.

**26. Disclosure of Realised and Unrealised Profit / (Loss)**

	As at 31.12.2013	As at 31.12.2012
Total retained profits / (accumulated losses) of the Company and its subsidiaries :		
- Realised	(3,230)	8,444
- Unrealised	(2,011)	(3,384)
	<u>(5,241)</u>	<u>5,060</u>
Less : consolidation adjustments	(9,228)	(22,487)
Total Group retained profits / (accumulated losses) as per consolidated accounts	<u><u>(14,469)</u></u>	<u><u>(17,427)</u></u>

**27. Profit / (loss) Before Tax**

The following items have included in the statement of comprehensive income in arriving at profit/(loss) before tax:

	Current Qtr 3 months ended 31.12.2013 RM'000	Cumulative Qtr 2 months ended 31.12.2013 RM'000
Interest income	2	78
Interest expenses	943	2,888
Depreciation and amortization	1,087	4,731
Gain/(loss) on disposal of property, plant and equipment	-	15
Foreign exchange gain / (loss)	(486)	753

**28. Earnings Per Share ("EPS")****(a) Basic EPS**

Basic EPS is calculated by dividing the net profit for the year by the weighted average number of ordinary issue shares in during the year.

	Current Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
(Loss)/Profit for the period attributable to equity holders of the parent (RM'000)	(971)	(2,947)	2,778	(11,669)
Weighted average number of ordinary shares in issue ('000)	64,286	64,286	64,286	64,286
<b>Basic EPS (sen)</b>	<u><u>(1.51)</u></u>	<u><u>(4.58)</u></u>	<u><u>4.32</u></u>	<u><u>(18.15)</u></u>

**(b) Diluted EPS**

The diluted EPS per share is not calculated as there is no dilutive effect for the shares.

**29. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 December 2013.