

Quarterly report on consolidated results for the first financial quarter ended 30th June 2012

Condensed Consolidated Income Statements for the first quarter ended 30th June 2012

(The figures have not been audited)

	3 months ended		3 months ended	
	30th June 2012 RM'000	30th June 2011 RM'000	30th June 2012 RM'000	30th June 2011 RM'000
Revenue	34,990	36,580	34,990	36,580
Operating Expenses	(34,208)	(34,688)	(34,208)	(34,688)
Other operating income	181	80	181	80
Profit from Operations	<u>963</u>	<u>1,972</u>	<u>963</u>	<u>1,972</u>
Finance costs	(592)	(1,786)	(592)	(1,786)
Profit before tax	<u>371</u>	<u>186</u>	<u>371</u>	<u>186</u>
Income tax expense	(157)	0	(157)	-
Profit for the period	<u>214</u>	<u>186</u>	<u>214</u>	<u>186</u>
Profit for the period	<u>214</u>	<u>186</u>	<u>214</u>	<u>186</u>
Attributable to:				
Equity holders of the parent	143	145	143	145
Minority interest	71	41	71	41
	<u>214</u>	<u>186</u>	<u>214</u>	<u>186</u>
Basic - sen	<u>0.30</u>	<u>0.22</u>	<u>0.30</u>	<u>0.22</u>

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31st March 2012 and the accompanying explanatory notes attached to the interim financial statements.

Quarterly report on consolidated results for the first financial quarter ended 30th June 2012

Condensed Consolidated Balance Sheet as at 30th June 2012

(The figures have not been audited)

	As at 30th June 2012 RM RM'000	As at 31st Mar 2012 RM RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	90,073	89,080
Other investments	2,101	2,118
	<u>92,174</u>	<u>91,198</u>
Current assets		
Inventories	14,515	12,647
Trade receivables	24,310	20,741
Other receivables	9,950	7,035
Tax recoverable	543	383
Other investments	48	48
Cash and bank balances	24,315	4,380
	<u>73,681</u>	<u>45,234</u>
TOTAL ASSETS	<u>165,855</u>	<u>136,432</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	48,439	6,464
Share premium	21,404	23,752
Other reserves	5,251	5,251
ICULS- Equity reserve	23,093	-
Warrants reserve	81	-
Retained earnings	14,721	14,578
	<u>112,989</u>	<u>50,045</u>
Minority interests	823	752
Total equity	<u>113,812</u>	<u>50,797</u>
Non-current liabilities		
Retirement benefit obligations	1,511	1,510
Borrowings	11,916	12,717
Deferred tax liabilities	3,827	3,827
	<u>17,254</u>	<u>18,054</u>
Current liabilities		
Borrowings	14,776	33,882
Trade payables	16,745	12,061
Other payables	3,268	21,367
Provision for taxation	-	271
	<u>34,789</u>	<u>67,581</u>
Total liabilities	<u>52,043</u>	<u>85,635</u>
TOTAL EQUITY AND LIABILITIES	<u>165,855</u>	<u>136,432</u>
Net asset per share attributable to ordinary equity holders of the parent (RM)	2.33	7.74

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31st March 2012 and the accompanying explanatory notes attached to the interim financial statements.

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Condensed Consolidated Cash Flow Statements for the first quarter ended 30th June 2012

(The figures have not been audited)

	3 months ended	
	As at 30th June 2012 RM'000	As at 30th June 2011 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	371	186
Adjustments for:		
Depreciation	1,167	1,126
Increase in share capital	41,975	-
Share premium expenses	(2,348)	-
Investment in subsidiary	16	-
Issuance of ICULS	23,093	-
Issuance of Warrants	81	-
Retirement Benefit paid	(3)	-
Interest expense	592	1,786
Operating profit before working capital changes	<u>64,944</u>	<u>3,098</u>
Increase in inventories	(1,868)	(1,178)
Increase in receivables	(6,573)	(59)
Decrease in payables	(13,835)	(3,453)
Cash generated from in operations	<u>42,668</u>	<u>(1,592)</u>
Income tax paid	(75)	(70)
Interest paid	(592)	(1,786)
Net cash from/ (in) operating activities	<u>(667)</u>	<u>(1,856)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,233)	-
Proceeds from sale of fixed assets	72	107
Net cash from/ (used in) investing activities	<u>(2,161)</u>	<u>107</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment)/ Proceeds of short term borrowings	(16,486)	1,164
Repayment of long term borrowings	(820)	(39)
Repayment of HP borrowings	(17)	(39)
	<u>(17,323)</u>	<u>1,086</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	22,517	(2,255)
CASH AND CASH EQUIVALENTS AT BEGINNING	<u>1,311</u>	<u>(507)</u>
CASH AND CASH EQUIVALENTS AT END	<u><u>23,828</u></u>	<u><u>(2,762)</u></u>
Represented by:		
Cash and bank balances	24,314	6,040
Bank overdrafts	(486)	(8,802)
	<u>23,828</u>	<u>(2,762)</u>

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

Quarterly report on consolidated results for the first financial quarter ended 30th June 2012

Condensed Consolidated Statements of Changes in Equity for the first quarter ended 30th June 2012

	Attributable to Equity Holders of the Parent					Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share capital RM'000	-----Non-Distributable-----						
		Share premium RM'000	Revaluation reserve RM'000	Other reserve RM'000	Accumulated losses RM'000			
3 months ended 30th June 2011								
As at 1 April 2011	64,645	23,752	6,009	(329)	(61,489)	32,588	904	33,492
Movements during the period (cumulative)	-	-	-	-	-	-	-	-
Net loss for the period	-	-	-	-	145	145	41	186
At 30th June 2011	<u>64,645</u>	<u>23,752</u>	<u>6,009</u>	<u>(329)</u>	<u>(61,344)</u>	<u>32,733</u>	<u>945</u>	<u>33,678</u>
3 months ended 30th June 2012								
As at 1 April 2012	6,464	23,752	5,680	(429)	14,578	50,045	752	50,797
Movements during the period (cumulative)	41,975	(2,348)	-	23,174	-	62,801	-	62,801
Net profit for the period	-	-	-	-	143	143	71	214
At 30th June 2012	<u>48,439</u>	<u>21,404</u>	<u>5,680</u>	<u>22,745</u>	<u>14,721</u>	<u>112,989</u>	<u>823</u>	<u>113,812</u>

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

EXPLANATORY NOTES : (AS PER FRS 134)**A1 Accounting policies**

The interim financial statements are unaudited and have been prepared under the historical cost convention in accordance with FRS134 "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The accounting policies and methods used in preparing the quarterly financial statements are consistent and should be read in conjunction with the audited financial statements for the financial year ended 31st March 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 year ended 31st March 2012.

A2 Changes in Accounting Policies

The adoption of the revised FRS 101 has affected the presentation of minority interest. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statements, minority interests are presented as an allocation of the total profit/(loss) for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognized income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interests.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with the comparatives restated to conform with the current period's presentation.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with the most recent annual audited financial statements for the year ended 31st March, 2012.

EXPLANATORY NOTES : (AS PER FRS 134)**A3 Declaration of audit qualification**

The audit report of the Company in respect of the annual financial statements for the year ended 31st March 2012 was not subject to any audit qualification.

A4 Segmental reporting

Segmental analysis for the current financial year to-date

	Revenue (RM)	Profit From Operations (RM)
Manufacturing	23,888,470	1,393,992
Trading	10,735,570	(266,130)
Others	366,252	(165,341)
	-----	-----
	34,990,292	962,521
	=====	=====

A5 Unusual items

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

A6 Changes in estimates

There were no changes in estimates of amount used in our previous reporting having a material impact in the current reporting.

A7 Seasonality or cyclicity of operation

The business of the Group is generally neither non-cyclical nor seasonal except for decreased activities during the festive season.

A8 Dividend

No dividend has been declared for the period.

A9 Valuation of property, plant and equipment

The valuation of property, plant and equipment have been brought forward, without amendment from the audited financial statements for the financial year ended 31st March 2012.

A10 Issuances and repayments of debts and equity securities

Pursuant to the Issuance of Settlement Shares to the Creditor Banks and Creditors and Issuance of Rights Issue and conversion of ICULS wherein the issued and paid-up share capital of the Company of RM6,464,495 comprising 6,464,495 ordinary shares of RM1.00 each was increased to RM48,439,059 comprising 48,439,059 ordinary shares of RM1.00 each.

Other than the above there were no issuances and repayments of debt securities. There were also no share buy-backs, shares held as treasury shares and resale of treasury shares for the current financial year to date.



EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)

A11 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter.

A12 Subsequent material events

To the best knowledge of the Directors, there is no transaction or event of a material or unusual nature occurring between 31st March, 2012 and the date of this announcement.

B1 Review of the performance of the Company and its principal subsidiaries

	3 months ended	
	30 June 2012	30 June 2011
Revenue	34,990	36,580
Profit before tax	371	186

The Group recorded revenue of RM34.990million for the 3 months ended 30 June 2012 (“1Qtr”) compared to revenue of RM36.580million in the preceding year corresponding period (“1Qtr”). There is a decrease of RM1.590million (4.54%) due to decrease in local demand.

The Group recorded a profit before tax of RM0.371million for the 1st quarter ended 30 June 2012 compare to RM0.186million for the preceding year corresponding quarter are mainly due to reduction in finance cost.

EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)**B2 Material changes in the quarterly results compared to the results of the immediate preceding quarter**

	3 months ended	
	30 June 2012	31 Mar 2012
Profit before tax	371	6,512

The current quarter recorded a profit before tax of RM0.371million as compared to 6,512million to the immediate preceding quarter mainly due to waiver of debts from creditor banks and creditor.

B3 Prospects of the current financial year

The Board of Directors is of the opinion that the Company will remain disciplined, focused and further improve operational efficiencies and productivity and expect to report satisfactory results for the financial year.

B4 Variance of actual profit from forecast profit

This is not applicable to the Group.

B5 Taxation

Taxation comprises :-

	Current Year Quarter 30/06/2012 RM'000	Cumulative Quarters	
		Current Year To Date 30/06/2012 RM'000	Preceding Year Corresponding Period 30/06/2011 RM'000
Current tax expense			
Current year	157	157	-
Over provision of Income tax expense in prior year	-	-	-
	157	157	-
Over provision of Deferred tax in prior year	-	-	-
	157	157	-

EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)**B6 Status of corporate proposals**

On 16 May 2012, the Proposed Restructuring Exercise of SMPC was successfully completed.

B7 Group borrowings and debt securities

There were no bank borrowings (other than as detailed below) and debt securities as at the end of the reporting period.

	Short Term RM '000	Long Term RM '000
Secured		
Bank overdraft	486	-
Bankers' acceptances	552	-
Term loan	13,737	11,834
Revolving credit	-	-
Hire Purchase Loan	-	83
	<u>14,775</u>	<u>11,917</u>

B8 Material litigation

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

B9 Dividend

The Board of Directors of the Company has not recommended any dividend in the financial year to date.

B10 Earnings per share**(i) Basic earnings per ordinary share**

The earnings per share is calculated by dividing the net profit attributable to shareholders of RM143,084 by the number of ordinary shares in issue during the current quarter of 48,439,059.

(ii) Diluted earnings per ordinary share

The diluted earnings per share is not presented as the assumed conversion of potential ordinary share are anti-dilutive.



B11 Realised and unrealised profits/losses disclosure

The retained profits as at 30 June 2012 and 31 March 2012 is analysed as follows:-

	Current Year 30 June 2012 RM'000	Immediate Preceding Quarter-to-date 31 March 2012 RM'000
Total accumulated profit/ (loss) of the Company and its subsidiaries:		
- Realised	14,721	(31,075)
- Unrealised	-	(3,827)
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Less: Consolidation adjustments	14,721	(34,902)
	-	49,480
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Total Group accumulated profit/ (losses) as per Consolidated financial statements	14,721	14,578
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