

Quarterly report on consolidated results for the fourth financial quarter ended 31st March 2013

Condensed Consolidated Income Statements for the fourth quarter ended 31st March 2013

(The figures have not been audited)

	3 months ended		12 months ended	
	31st March 2013 RM'000	31st March 2012 RM'000	31st March 2013 RM'000	31st March 2012 RM'000
Revenue	34,021	20,309	136,543	127,608
Operating Expenses	-40,415	-66,056	-141,611	-168,432
Other operating income	882	168	1,580	969
<b>(Loss)/ Profit from operations</b>	<b>-5,512</b>	<b>(45,579)</b>	<b>-3,488</b>	<b>(39,855)</b>
Finance costs	-125	52,723	-1,892	57,775
Extraordinary Income	2,748	0	2,748	-
<b>(Loss)/ Profit before tax</b>	<b>(2,889)</b>	<b>7,144</b>	<b>(2,632)</b>	<b>17,920</b>
Income tax expense	-1,547	293	-1,547	32
<b>(Loss)/ Profit for the period</b>	<b>(4,436)</b>	<b>7,437</b>	<b>(4,179)</b>	<b>17,952</b>
<b>Other Comprehensive loss, net of tax</b>				
Fair value adjustment on available for sale financial assets	-3	-	(3)	-
<b>(Loss)/ Profit for the period</b>	<b>-4,439</b>	<b>7,437</b>	<b>-4,182</b>	<b>17,952</b>
<b>Attributable to:</b>				
Equity holders of the parent	(7,837)	7,518	(7,738)	17,886
Minority interest	650	(81)	808	66
	<b>(7,187)</b>	<b>7,437</b>	<b>(6,930)</b>	<b>17,952</b>
<b>Total comprehensive income/ (loss) attributable to:</b>				
Equity holders of the parent	(5,089)	7,518	(4,990)	17,886
Minority interest	650	(81)	808	66
	<b>(4,439)</b>	<b>7,437</b>	<b>(4,182)</b>	<b>17,952</b>
Basic - sen	(16.16)	116.31	(15.96)	276.70

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 fourth financial quarter ended 31st March 2013

Condensed Consolidated Balance Sheet as at 31st March 2013

(The figures have not been audited)

	As at 31st March 2013 RM RM'000	As at 31st Mar 2012 RM RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	66,747	67,802
Investment Properties	22,150	21,278
Other investments	2,086	2,118
	<u>90,983</u>	<u>91,198</u>
<b>Current assets</b>		
Inventories	11,251	12,647
Trade receivables	29,332	20,741
Other receivables	3,460	7,035
Tax recoverable	-	383
Other investments	3,974	48
Cash and bank balances	13,404	4,380
	<u>61,421</u>	<u>45,234</u>
<b>TOTAL ASSETS</b>	<u>152,404</u>	<u>136,432</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	48,489	6,464
Share premium	21,845	23,752
Other reserves	(946)	5,251
ICULS- Equity reserve	22,832	-
Warrants reserve	81	-
Retained earnings	172	14,578
	<u>92,473</u>	<u>50,045</u>
Minority interests	9,264	752
<b>Total equity</b>	<u>101,737</u>	<u>50,797</u>
<b>Non-current liabilities</b>		
Retirement benefit obligations	1,413	1,510
Borrowings	1,757	12,717
Deferred tax liabilities	4,138	3,827
	<u>7,308</u>	<u>18,054</u>
<b>Current liabilities</b>		
Borrowings	24,067	33,882
Trade payables	15,102	12,061
Other payables	3,490	21,367
Provision for taxation	700	271
	<u>43,359</u>	<u>67,581</u>
<b>Total liabilities</b>	<u>50,667</u>	<u>85,635</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>152,404</u>	<u>136,432</u>
Net asset per share attributable to ordinary equity holders of the parent (RM)	1.91	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.

Quarterly report on consolidated results for the fourth financial quarter ended 31st March 2013

Condensed Consolidated Cash Flow Statements for the fourth quarter ended 31st March 2013

(The figures have not been audited)

	12 months ended	
	As at 31st March 2013 RM'000	As at 31st March 2012 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss)/ profit before taxation	(4,180)	17,920
Adjustments for:		
Depreciation	4,424	4,592
Increase in share capital	42,024	-
Share premium expenses	(1,903)	-
Amortisation of intangible assets	(2,743)	-
Bad debts	-	101
Dividend income	-	(1)
Issuance of ICULS	22,832	-
Issuance of Warrants	81	-
Provision for doubtful debts	398	-
Fair value adjustments on available for sale financial assets	(3)	-
Impairment loss on other investment	-	582
Impairment loss on property, plant and equipment	-	1,249
Impairment loss on receivables	-	5,214
Inventories written down	-	1,871
Inventories written off	-	12,006
Goodwill written off	-	1,875
Gain on disposal of non-current assets held for sale	-	(141)
Gain on disposal of property, plant and equipment	-	(328)
Retirement Benefit paid	(98)	-
Property, plant and equipment written off	1,990	136
Unrealised (gain)/loss on foreign exchange	(161)	(125)
Waiver of debts	(1,501)	(64,541)
Interest income	-	(17)
Interest expense	2,081	6,735
Other investment	32	-
Operating profit/ (loss) before working capital changes	63,273	(12,872)
(Increase)/ Decrease in inventories	1,395	63
(Increase)/ Decrease in receivables	(5,504)	2,182
(Decrease)/ Increase in payables	(13,318)	15,243
Increase in retirement benefit obligations	-	1,511
Cash generated from/ (used in) operations	45,846	6,127
Income tax paid	(301)	(285)
Income tax refund	-	20
Interest paid	(2,082)	(2,729)
Net cash from/ (used in) operating activities	43,463	3,133
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividend received	-	2
Interest received	-	17
Placement of FD	-	(411)
Subsequent expenditure on investment properties	-	(87)
Purchase of property, plant and equipment	(5,549)	(4,162)
Purchase of investment	(8,937)	-
Proceeds from disposal of non-current assets held for sale	-	12,210
Proceeds from disposal of property, plant and equipment	823	352
Net cash from/ (used in) investing activities	(13,663)	7,921

Quarterly report on consolidated results for the fourth financial quarter ended 31st March 2013

Condensed Consolidated Cash Flow Statements for the fourth quarter ended 31st March 2013

(The figures have not been audited)

	12 months ended	
	As at 31st March 2013 RM'000	As at 31st March 2012 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	-	(305)
Proceeds from term loans	-	13,500
(Repayment)/ Proceeds of short term borrowings	(7,195)	(16,103)
Repayment of long term borrowings	(10,960)	(6,232)
Repayment of HP borrowings	(38)	(85)
	<u>(18,193)</u>	<u>(9,225)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	11,607	1,829
Effects of exchange rate changes	-	(10)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING</b>	<u>1,311</u>	<u>(508)</u>
<b>CASH AND CASH EQUIVALENTS AT END</b>	<u><u>12,918</u></u>	<u><u>1,311</u></u>
<b>Represented by:</b>		
Cash and bank balances	13,404	3,926
Bank overdrafts	(486)	(2,615)
	<u>12,918</u>	<u>1,311</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 fourth financial quarter ended 31st March 2013

Condensed Consolidated Statements of Changes in Equity for the fourth quarter ended 31st March 2013

	Attributable to Equity Holders of the Parent					Total	Minority Interest	Total Equity
	Share capital	Share premium	Non-Distributable Revaluation reserve	Other reserve	Accumulated profit/ (losses)			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
12 months ended 31st March 2012								
As at 1 April 2011	64,645	23,752	6,009	(329)	(61,489)	32,588	904	33,492
Movements during the period (cumulative)	(58,181)	-	-	(429)	58,180	(430)	-	(430)
Net profit for the period	-	-	-	-	17,887	17,887	(152)	17,735
At 31st March 2012	<u>6,464</u>	<u>23,752</u>	<u>6,009</u>	<u>(758)</u>	<u>14,578</u>	<u>50,045</u>	<u>752</u>	<u>50,797</u>
12 months ended 31st March 2013								
As at 1 April 2012	6,464	23,752	6,009	(758)	14,578	50,045	752	50,797
Movements during the period (cumulative)	42,025	(1,907)	(6,009)	22,725	(9,416)	47,418	7,704	55,122
Net loss for the period	-	-	-	-	(4,990)	(4,990)	808	(4,182)
At 31st March 2013	<u>48,489</u>	<u>21,845</u>	<u>-</u>	<u>21,967</u>	<u>172</u>	<u>92,473</u>	<u>9,264</u>	<u>101,737</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 MFRS 134)****A1 Accounting policies****First-time Adoption of Malaysian Financial Reporting Standards (“MFRS”)**

The condensed consolidated interim financial statements (“Report”) have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Report also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”). For the periods up to 30 September 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRSs”).

This Report is the Group’s first MFRS condensed consolidated interim financial statements for the quarter ended 31 December 2012. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards (“MFRS 1”) has been applied.

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 31<sup>st</sup> 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 31<sup>st</sup> March 2012.

**A2 Changes in Accounting Policies****Application of MFRS 1**

The unaudited financial statements of the Group for the quarter ended 31 December 2012 were prepared in accordance with FRS. As the requirements under FRS and MFRS are similar, the significant accounting policies adopted in preparing this Report are consistent with those of the audited financial statements for the financial year ended 31 December 2012 except as discussed below:

**Foreign currency translation reserve**

Under FRS, the Group recognised translation differences on foreign operations as a separate component of equity. Cumulative foreign currency translation differences for all foreign operations are deemed to be nil as at the date of transition to MFRS.

**A2.1 Standards issued but not yet effective**

At the date of authorisation of this Report, the following Malaysian Financial Reporting Standards (“MFRSs”), Amendments to MFRSs and IC Interpretation (“IC Int”) were issued but not yet effective and have not been applied by the Group:

<b>MFRSs, Amendments to MFRSs and IC Interpretation</b>	<b>Effective date</b>
Amendments to MFRS 132 Offsetting Financial Assets and Financial Liabilities	1 January 2014
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015

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 31<sup>st</sup> March, 2012.

**A3 Declaration of audit qualification**

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

**A4 Segmental reporting**

Segmental analysis for the current financial year to-date

	<b>Revenue (RM)</b>	<b>Loss From Operations (RM)</b>
Manufacturing	84,290,110	(1,695,106)
Trading	50,787,941	(1,525,215)
Others	1,465,008	(267,294)
	<u>136,543,059</u>	<u>(3,487,615)</u>

**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 31<sup>st</sup> March 2012.

**EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)****A10 Issuances and repayments of debts and equity securities**

There were no changes in the equity structure of the company during this period.

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

**A11 Changes in the composition of the Group**

The Company on 11 December 2012 has entered into Share Sales Agreements for the Proposed Acquisition of 5,001 ordinary shares of RM1.00 each, representing 50.01% of the share capital of Kembang Kartika Sdn Bhd (“KKSB”), resulting in KKSB being a subsidiary of SMPC. The said acquisition was completed on 28 December 2012.

KKSB with an authorized share capital of RM 100,000 divided into 100,000 ordinary shares of RM 1.00 each and the issued and paid up capital of RM 10,000 divided into 10,000 ordinary shares of RM 1.00 each.

The principal business activities of KKSB are that of Property Investment and Development and currently it is dormant.

Except for the above, there were no changes in the composition of the Group for the current financial year to date.

**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 31<sup>st</sup> March, 2013 and the date of this announcement.

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

	3 months ended	
	31 March 2013	31 March 2012
Revenue	34,021	20,309
(Loss)/ Profit before tax	(2,889)	7,144

The Group recorded revenue for the 4<sup>th</sup> quarter ended 31<sup>st</sup> March 2013 recorded as RM34.021million compared to revenue of RM20.309million for the preceding year correspondence quarter. The increase in revenue of RM13.712million or 67.5% is mainly due to increase in turnover of Cable Support (Vale Project) and Roofing.

The Group made loss before tax RM2.889million for the 4<sup>th</sup> quarter ended 31<sup>st</sup> March 2013 compare to profit of RM7.144million for the preceding year correspondence quarter mainly contributed by machineries written off of RM1.990million and impairment of receivables of RM1.132million. After completion of Restructuring Exercise, the Group undertakes an operational restructuring and consolidated its operations and as part of this the furniture division was relocated from Gurun, Kedah to Kapar, Klang and some of the old machineries was replaced with new machineries to increase its efficiency.

**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**

	<b>3months ended</b>	
	31 March 2013	31 December 2012
(Loss)/profit before tax	(2,889)	2,889

The Group made loss before tax RM2.889million for the 4<sup>th</sup> quarter ended 31<sup>st</sup> March 2013 compare to profit of RM2.889million for the immediate preceding quarter mainly contributed by machineries written off of RM1.990million and impairment of receivables of RM1.132million. After completion of Restructuring Exercise, the Group undertakes an operational restructuring and consolidated its operations and as part of this the furniture division was relocated from Gurun, Kedah to Kapar, Klang and some of the old machineries was replaced with new machineries to increase its efficiency.

**B3 Prospects of the current financial year (to be discussed)**

The Board of Directors is confident that with the successful completion of Restructuring Exercise and improved cash flow position, the Company is in well position to grow and is expected to report sustainable results for the coming financial year.

**B4 Variance of actual profit from forecast profit**

This is not applicable to the Group.

**B5 Taxation**

Taxation comprises :-

	Current Year Quarter 31/03/2013 RM'000	Cumulative Quarters Current Year To Date 31/03/2013 RM'000	Preceding Year Corresponding Period 31/03/2012 RM'000
Current year expense	(409)	(409)	32
Provision of Income tax	(1,138)	(1,138)	-
	(1,547)	(1,547)	32
Over provision of Deferred tax in prior year	-	-	-
	(1,558)	(1,558)	32

**EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)****B6 Other Investments**

	Unquoted Shares RM	Shares quoted in Malaysia RM	Unit Trusts quoted in Malaysia RM	Total RM
<b>Non-current</b>				
Available for sale financial assets	2,999,838	-	-	2,999,838
Impairment loss	(913,763)	-	-	(913,763)
	<u>2,086,075</u>	<u>-</u>	<u>-</u>	<u>2,086,075</u>
<b>Current</b>				
Available for sale financial assets	-	4,008,351	8,076	4,016,427
Fair value adjustments	-	(50,580)	8,568	(42,012)
	<u>-</u>	<u>3,957,771</u>	<u>16,644</u>	<u>3,974,415</u>
<b>Total</b>	<u><u>2,086,075</u></u>	<u><u>3,957,771</u></u>	<u><u>16,644</u></u>	<u><u>6,060,490</u></u>
Representing items:				
At cost	2,086,075	-	-	2,086,075
At fair value	-	3,957,771	16,644	3,974,415
	<u>2,086,075</u>	<u>3,957,771</u>	<u>16,644</u>	<u>6,060,490</u>
At market value	<u>-</u>	<u>3,128,212</u>	<u>16,644</u>	<u>3,144,856</u>

**B7 Status of corporate proposals**

There were no other corporate proposals at the date of issue of the quarterly report.

**B8 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	1,531	-
Term loan	22,050	1,694
Revolving credit	-	-
Hire Purchase Loan	-	63
	<u>24,067</u>	<u>1,757</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 loss attributable to shareholders of RM7,738,000 by the number of ordinary shares in issue during the current quarter of 48,489,059.

**(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.

**11 Realised and unrealised profits/losses disclosure**

The retained profits as at 31 March 2013 and 31 March 2012 is analysed as follows:-

	Current financial period 31 March 2013 RM'000	As at the end of last financial year 31 March 2012 RM'000
Total retained profit/ (accumulated loss) of the Company and its subsidiaries:		
- Realised	172	(31,075)
- Unrealised	-	(3,827)
	<u>172</u>	<u>(34,902)</u>
Less: Consolidation adjustments	-	49,480
Total Group retained profit as per consolidated financial statements	<u>172</u>	<u>14,578</u>