# Consolidated Statement of Financial Position

As at 31 March 2012

| | Note | 31 March 2012 RM'000 | 31 March 2011 RM'000 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | | 163,460 | 159,411 |
| Prepaid lease payments | | 3,528 | 3,647 |
| Oil palm plantation development expenditure | | 47,184 | 33,196 |
| Other investments | | 1,452 | 439 |
| Deferred tax assets | | 538 | 133 |
| Goodwill | | 1,039 | 2,519 |
| Other intangible assets | 17 | 41,980 | 45,979 |
| Other receivable | 18 | 18,120 | 16,687 |
| | | 277,301 | 262,011 |
| **Current assets** | | | |
| Inventories | | 39,833 | 47,233 |
| Trade and other receivables, including derivatives | 19 | 163,551 | 97,994 |
| Deposits and prepayments | | 12,158 | 15,575 |
| Current tax recoverable | | 3,584 | 1,487 |
| Deposits, bank and cash balances | | 54,986 | 37,940 |
| | | 274,112 | 200,229 |
| **Total assets** | | 551,413 | 462,240 |

# Consolidated Statement of Financial Position

As at 31 March 2012

| | Note | 31 March 2012 RM'000 | 31 March 2011 RM'000 |
|---|---|---|---|
| (continued) | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity attributable to owners of the Company** | | | |
| Share capital | | 66,667 | 66,667 |
| Reserves | | 140,401 | 120,604 |
| Treasury shares | | (4,599) | (4,599) |
| | | 202,469 | 182,672 |
| **Non-controlling interests** | | 25,375 | 26,164 |
| **Total equity** | | 227,844 | 208,836 |
| **Non-current liabilities** | | | |
| Borrowings | 28 | 82,349 | 77,857 |
| Deferred tax liabilities | | 16,701 | 19,803 |
| | | 99,050 | 97,660 |
| **Current liabilities** | | | |
| Trade and other payables, including derivatives | | 106,167 | 106,920 |
| Borrowings | 28 | 116,326 | 45,831 |
| Current tax payables | | 2,026 | 2,993 |
| | | 224,519 | 155,744 |
| **Total liabilities** | | 323,569 | 253,404 |
| **Total equity and liabilities** | | 551,413 | 462,240 |
| Net assets per ordinary share attributable to owners of the Company, net of treasury shares (RM) | | 1.60 | 1.44 |

The consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to this interim financial report.

# Condensed Consolidated Statement of Comprehensive Income

For the year ended 31 March 2012

| | Note | Individual Quarter 3 months ended 31 March 2012 RM'000 | Individual Quarter 3 months ended 31 March 2011 RM'000 | Cumulative Quarter 12 months ended 31 March 2012 RM'000 | Cumulative Quarter 12 months ended 31 March 2011 RM'000 |
|---|---|---|---|---|---|
| **Revenue** | 9 | 106,004 | 83,443 | 310,002 | 285,906 |
| **Operating profit** | | 12,833 | 12,769 | 33,716 | 34,847 |
| Finance costs | | (563) | (1,055) | (3,911) | (2,636) |
| Finance income | | 44 | 1,479 | 1,989 | 2,657 |
| Amortisation of goodwill | | (54) | (118) | (130) | (323) |
| Goodwill written off | | (1,350) | - | (1,350) | - |
| Gain on disposal of other investments | | 24 | - | 144 | - |
| Provision of allowance for diminution in values of quoted investments | | - | (1) | - | - |
| **Profit before taxation** | 9 | 10,934 | 13,074 | 30,458 | 34,546 |
| Income tax expense | 25 | (1,628) | (5,169) | (6,846) | (10,362) |
| **Profit after taxation** | | 9,306 | 7,905 | 23,612 | 24,184 |
| **Other comprehensive income, net of tax** | | | | | |
| Fair value changes of available-for-sale financial assets | | 4 | - | (126) | - |
| Foreign currency translation differences for foreign operations | | 89 | 151 | (671) | 83 |
| **Other comprehensive income for the year, net of tax** | | 93 | 151 | (797) | 83 |
| **Total comprehensive income for the year, net of tax** | | 9,399 | 8,056 | 22,815 | 24,267 |
| **Profit attributable to:** | | | | | |
| Owners of the Company | | 10,086 | 5,992 | 24,120 | 21,835 |
| Non-controlling interests | | (780) | 1,913 | (508) | 2,349 |
| **Profit for the year** | | 9,306 | 7,905 | 23,612 | 24,184 |
| **Total comprehensive income attributable to:** | | | | | |
| Owners of the Company | | 10,179 | 6,115 | 23,604 | 22,024 |
| Non-controlling interests | | (780) | 1,941 | (789) | 2,243 |
| **Total comprehensive income for the year** | | 9,399 | 8,056 | 22,815 | 24,267 |
| Basic / Diluted earnings per ordinary share attributable to owners of the Company (sen) | 35 | 7.95 | 4.72 | 19.01 | 17.21 |

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to this interim financial report.

# Consolidated Statement of Changes in Equity

For the year ended 31 March 2012

| | | <---------- Attributable to owners of the Company ----------> | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **Issued and fully paid ordinary shares** | | **Non-Distributable** | | | | | **Distributable** | | | |
| | **Note** | **Number of shares '000** | **Share capital RM'000** | **Revaluation reserve RM'000** | **Merger deficit RM'000** | **Translation reserve RM'000** | **Fair value reserve RM'000** | **Treasury shares RM'000** | **Retained earnings RM'000** | **Sub-total RM'000** | **Non- controlling interests RM'000** | **Total equity RM'000** |
| At 1 April 2011 | | 133,333 | 66,667 | 10,690 | (16,833) | (395) | - | (4,599) | 127,142 | 182,672 | 26,164 | 208,836 |
| *Other comprehensive income for the financial year* | | | | | | | | | | | | |
| *- Foreign currency translation differences* | | - | - | - | - | *(390)* | - | - | - | *(390)* | *(281)* | *(671)* |
| *- Fair value changes of available-for-sale financial assets* | | - | - | - | - | - | *(126)* | - | - | *(126)* | - | *(126)* |
| *Profit for the year* | | - | - | - | - | - | - | - | *24,120* | *24,120* | *(508)* | *23,612* |
| *Realisation of revaluation reserve* | | - | - | *(457)* | - | - | - | - | *457* | - | - | - |
| Total comprehensive income for the year | | - | - | (457) | - | (390) | (126) | - | 24,577 | 23,604 | (789) | 22,815 |
| *Dividends paid in respect of the previous year to:* | *8* | | | | | | | | | | | |
| *- owners of the company* | | - | - | - | - | - | - | - | *(3,807)* | *(3,807)* | - | *(3,807)* |
| *- non-controlling interests* | | - | - | - | - | - | - | - | - | - | - | - |
| *Purchase of treasury shares* | *7* | - | - | - | - | - | - | - | - | - | - | - |
| Total transactions with owners of the Company | | - | - | - | - | - | - | - | (3,807) | (3,807) | - | (3,807) |
| At 31 March 2012 | | 133,333 | 66,667 | 10,233 | (16,833) | (785) | (126) | (4,599) | 147,912 | 202,469 | 25,375 | 227,844 |

**WEIDA (M) BHD (Company No. 504747-W)**
**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2012**

# Consolidated Statement of Changes in Equity

For the year ended 31 March 2011

| | | <----Attributable to owners of the Company | | | | | | | ----> | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Issued and fully paid ordinary shares | | Non Distributable | | | | Distributable | | | |
| | Note | Number of shares ’000 | Share capital RM’000 | Revaluation reserve RM’000 | Merger deficit RM’000 | Translation reserve RM’000 | Treasury shares RM’000 | Retained earnings RM’000 | Sub-total RM’000 | Non-controlling interests RM’000 | Total equity RM’000 |
| At 1 April 2010, as previously stated | | 133,333 | 66,667 | 10,944 | (16,833) | (508) | (4,599) | 93,828 | 149,499 | 26,460 | 175,959 |
| - effect of adoption of FRS 138 | | - | - | - | - | - | - | 13,281 | 13,281 | - | 13,281 |
| - effect of adoption of FRS 139 | | - | - | - | - | - | - | (366) | (366) | (557) | (923) |
| At 1 April 2010, as restated | | 133,333 | 66,667 | 10,944 | (16,833) | (508) | (4,599) | 106,743 | 162,414 | 25,903 | 188,317 |
| *Other comprehensive income for the financial year* | | | | | | | | | | | |
| - *Foreign currency translation differences* | | - | - | - | - | *189* | - | - | *189* | *(106)* | *83* |
| *Profit for the year* | | - | - | - | - | - | - | *21,835* | *21,835* | *2,349* | *24,184* |
| *Realisation of revaluation reserve* | | - | - | *(254)* | - | - | - | *254* | - | - | - |
| Total comprehensive income for the year | | - | - | (254) | - | 189 | - | 22,089 | 22,024 | 2,243 | 24,267 |
| *Dividends paid in respect of the previous year to:* | | | | | | | | | | | |
| *- owners of the company* | | - | - | - | - | - | - | *(3,807)* | *(3,807)* | - | *(3,807)* |
| *- non-controlling interests* | | - | - | - | - | - | - | - | - | - | - |
| *Acquisition of non-controlling interests in an existing subsidiary* | *8* | - | - | - | - | *(76)* | - | *829* | *753* | *(834)* | *(81)* |
| *Shares issued by subsidiary* | | - | - | - | - | - | - | - | - | *140* | *140* |
| *Intra-group restructuring* | | - | - | - | - | - | - | *1,288* | *1,288* | *(1,288)* | - |
| *Treasury shares acquired* | | - | - | - | - | - | - | - | - | - | - |
| Total transactions with owners of the Company | | - | - | - | - | (76) | - | (1,690) | (1,766) | (1,982) | (3,748) |
| At 31 March 2011 | | 133,333 | 66,667 | 10,690 | (16,833) | (395) | (4,599) | 127,142 | 182,672 | 26,164 | 208,836 |

The consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to this interim financial report.

# Consolidated Statement of Cash Flows

For the year ended 31 March 2012

| | 31 March 2012 RM'000 | 31 March 2011 RM'000 |
|---|---|---|
| Profit after taxation for the year | 23,612 | 24,184 |
| Adjustments for: | | |
| Amortisation of intangible assets | 3,999 | 4,555 |
| Amortisation of goodwill | 130 | 323 |
| Amortisation of plantation development expenditure | 109 | - |
| Depreciation of property, plant & equipment | 9,371 | 7,636 |
| Amortisation of prepaid lease payments | 119 | 119 |
| Derivative loss on forward foreign currency contracts | 1 | 48 |
| Dividend income | (47) | (1) |
| Finance costs | 3,911 | 2,636 |
| Finance income | (1,989) | (2,657) |
| Goodwill written off | 1,350 | - |
| Loss on foreign exchange | 260 | 489 |
| Gain on disposal of property, plant and equipment | (3,196) | (187) |
| Gain on disposal of intangible assets | - | (6,617) |
| Property, plant & equipment written off | 76 | 242 |
| Gain on disposal of other investments | (144) | (1) |
| Income tax expense | 6,846 | 10,362 |
| Operating profit before changes in working capital | 44,408 | 41,131 |
| Change in inventories | 7,515 | (3,869) |
| Change in trade and other receivables | (57,875) | (32,042) |
| Change in trade and other payables | 403 | (2,678) |
| Cash (used in)/generated from operations | (5,549) | 2,542 |
| Interest paid | (1,758) | (1,241) |
| Income tax paid | (13,446) | (10,312) |
| **Net cash used in operating activities** | (20,753) | (9,011) |
| **Cash flows from investing activities** | | |
| Increase in investment in a subsidiary | - | (5) |
| Decrease in cash and cash equivalents pledged with licensed banks | 6,109 | 6,606 |
| Acquisition of property, plant and equipment | (22,048) | (27,243) |
| Acquisition of other investments | (2,132) | (101) |
| Acquisition of intangible assets | - | (2,260) |
| Incurrence of oil palm plantation development expenditure, net of depreciation and amortisation expenses capitalised | (11,462) | (12,395) |
| Proceeds from disposal of other investments | 1,138 | 2 |
| Proceeds from disposal of property, plant and equipment | 5,090 | 1,162 |
| Proceeds from disposal of intangible assets | - | 18,325 |
| Dividend received | 41 | 1 |
| Interest received | 1,891 | 1,078 |
| **Net cash used in investing activities** | (21,373) | (14,830) |

# Consolidated Statement of Cash Flows

For the year ended 31 March 2012.

| | 31 March 2012 RM'000 | 31 March 2011 RM'000 |
|---|---|---|
| (continued) | | |
| **Cash flows from financing activities** | | |
| (Repayment of)/Net proceeds from bonds issued | (5,000) | (10,000) |
| (Repayment of)/Net proceeds from bankers' acceptances | 25,236 | 11,645 |
| (Repayment of)/Net proceeds from other borrowings | 50,750 | 30,686 |
| Proceeds from issuance of shares to non-controlling shareholders | - | 140 |
| Interest expenses | (1,839) | (840) |
| Dividends paid to: | | |
| - shareholders of the Company | (3,807) | (3,807) |
| - non-controlling shareholders | - | - |
| **Net cash from financing activities** | 65,340 | 27,824 |
| Net increase in cash and cash equivalents | 23,214 | 3,983 |
| Effects of exchange rate fluctuations on cash held | (1,180) | 395 |
| Opening cash and cash equivalents | 29,628 | 25,250 |
| Closing cash and cash equivalents | 51,662 | 29,628 |

**Note**

Cash and cash equivalents included in the consolidated statement of cash flows comprise:

| | 31 March 2012 RM'000 | 31 March 2011 RM'000 |
|---|---|---|
| Deposits, bank and cash balances | 54,986 | 37,940 |
| Bank overdrafts | (1,121) | - |
| | 53,865 | 37,940 |
| Cash and cash equivalents pledged for banking facilities | (2,203) | (8,312) |
| **Cash and cash equivalents at 31 March** | 51,662 | 29,628 |

The consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to this interim financial report.

# Notes to the consolidated interim financial statements

1. Basis of preparation

The consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad and Financial Reporting Standard (FRS) 134, *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board (MASB).

The preparation of an interim financial statements in conformity with FRS 134, *Interim Financial Reporting*, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include 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 2011 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with FRSs.

2. Significant accounting policies

**2.1 Changes in accounting policies**

The significant accounting policies adopted in the interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 March 2011, except for the adoption of the following standards, amendments and interpretations which are effective for annual periods beginning on or after the respective dates indicated herein:

| **Standard/Amendment/Interpretation** | **Effective date** |
|---|---|
| FRS 3, *Business Combinations* (revised) | 1 July 2010 |
| FRS 127, *Consolidated and Separate Financial Statements* (revised) | 1 July 2010 |
| Amendments to FRS 138, *Intangible Assets* | 1 July 2010 |
| Amendments to IC Interpretation 9, *Reassessment of Embedded Derivatives* | 1 July 2010 |
| Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards* | |
| - *Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters* | |
| - *Additional Exemptions for First-time Adopters* | 1 January 2011 |
| Amendments to FRS 7, *Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments* | 1 January 2011 |
| IC Interpretation 4, *Determining Whether an Arrangement contains a Lease* | 1 January 2011 |
| Improvements to FRSs (2010) | 1 January 2011 |

The adoption of the above standards, amendments and interpretations does not have a material impact on the financial statements of the Group.

**2.2 Malaysian Financial Reporting Standards**

The Group has not applied the following accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are only effective for annual periods beginning on or after the respective dates indicated herein:

| **FRS/Amendment/Interpretation** | **Effective date** |
|---|---|
| Amendments to IC Interpretation 14, *Prepayments of a Minimum Funding Requirement* | 1 July 2011 |
| IC Interpretation 19, *Extinguishing Financial Liabilities with Equity Instruments* | 1 July 2011 |
| FRS 124, *Related Party Disclosures (revised)* | 1 January 2012 |

2. Significant accounting policies (continued)

## 2.2 Malaysian Financial Reporting Standards *(continued)*

| **FRS/Amendment/Interpretation *(continued)*** | **Effective date** |
|---|---|
| Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* | 1 January 2012 |
| Amendments to FRS 7, *Financial Instruments: Disclosures - Transfers of Financial Assets* | 1 January 2012 |
| Amendments to FRS 112, *Income Taxes - Deferred Tax: Recovery of Underlying Assets* | 1 January 2012 |
| Amendments to FRS 101, *Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income* | 1 July 2012 |
| FRS 10, *Consolidated Financial Statements* | 1 January 2013 |
| FRS 11, *Joint Arrangements* | 1 January 2013 |
| FRS 12, *Disclosure of Interests in Other Entities* | 1 January 2013 |
| FRS 13, *Fair Value Measurement* | 1 January 2013 |
| FRS 119, *Employee Benefits (2011)* | 1 January 2013 |
| FRS 127, *Separate Financial Statements (2011)* | 1 January 2013 |
| FRS 128, *Investments in Associates and Joint Ventures (2011)* | 1 January 2013 |
| IC Interpretation 20, *Stripping Costs in the Production Phase of a Surface Mine* | 1 January 2013 |
| Amendments to FRS 7, *Financial Instruments: Disclosures-Offsetting Financial Assets and Financial Liabilites* | 1 January 2013 |
| Amendments to FRS 132, *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities* | 1 January 2014 |
| FRS 9, *Financial Instruments (2009 & 2010)* | 1 January 2015 |
| Amendments to FRS 7, *Financial Instruments:Disclosures - Mandatory Date of FRS 9 and Transition Disclosures* | 1 January 2015 |

The Group plans to apply for the financial year beginning 1 April 2012 the FRSs, amendments and interpretations that are effective for annual periods beginning on or before 1 January 2012, except those assessed as being presently not applicable to them. The latter includes Amendments to IC Interpretation 14, Amendments to FRS 1 and Amendments to FRS 112.

The initial application of a standard, an amendment or an interpretation, which is to be applied prospectively or which requires extended disclosures, is not expected to have any material financial impacts on the financial statements for the current and prior periods upon its first adoption.

IC Interpretation 19 provides guidance on accounting for debt-to-equity swaps. Equity instruments issued to a creditor to extinguish all or a part of a financial liability would be “consideration paid” in accordance with paragraph 41 of FRS 139. The equity instruments would be measured initially at the fair value of those equity instruments unless that fair value cannot be reliably measured, in which case the equity instruments should be measured to reflect the fair value of the financial liability extinguished. Any difference between the carrying amount of the financial liability and the initial measurement of the equity instruments would be recognised as a gain or loss in profit or loss.

The revised FRS 124 simplifies the definition of related party, clarifies its intended meaning and eliminates inconsistencies from the definition. The changes from current practice among others include a partial exemption from disclosures for government-related entities. It requires disclosure of related party transactions between government-related entities only if the transactions are individually or collectively significant.

# Notes to the consolidated interim financial statements

(continued)

2. Significant accounting policies (continued)

**2.2 Malaysian Financial Reporting Standards *(continued)***

Prior to the issuance of the revised FRS 124, no disclosure is required in the financial statements of state-controlled entities of transactions with other state-controlled entities. The partial exemption from disclosures for government-related activities as permitted in the revised FRS 124 is intended to put users on notice that such related party transactions have occurred and to give an indication of their extent.

MASB, in furtherance with its objective of converging the accounting framework for entities other than private entities in Malaysia with International Financial Reporting Standard, announced on 19 November 2011 the issuance of Malaysian Financial Reporting Standards (MFRSs). Entities other than private entities shall apply the MFRSs framework for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141, *Agriculture* and/or IC Interpretation 15, *Agreements for the Construction of Real Estate*.

An entity subject to the application of MFRS 141 and/or IC Interpretation 15, and the entity that consolidates or equity accounts or proportionately consolidates the first mentioned entity, may continue to apply FRSs as their financial reporting framework for annual reporting periods beginning on or after 1 January 2012. These entities shall comply with the MFRS framework for annual periods beginning on or after 1 January 2013.

In view of the foregoing, the Group will be migrating to the MFRS framework from 1 April 2013 and will not be adopting the FRS standards, amendments and interpretations that are effective for annual periods beginning after 1 April 2012.

3. Auditors' report on preceding annual financial statements

The auditors have expressed an unqualified opinion on the Group and the Company's statutory financial statements for the financial year ended 31 March 2011 in their report dated 28 July 2011.

4. Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors in the current quarter.

5. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the three months ended 31 March 2012.

6. Changes in estimates

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

# Notes to the consolidated interim financial statements

(continued)

## 7. Debts and equity securities

There were no issuance, cancellation, resale and repayment of equity securities in the cumulative and current quarter under review except for the repurchase of 200 own shares as treasury shares at an average price of RM1.01 per share using internally generated funds.

The movements on debt securities (corporate bonds) are detailed as follows:-

| | Individual Quarter 3 months ended 31 March 2012 RM'000 | Cumulative Quarter 12 months ended 31 March 2012 RM'000 |
|---|---|---|
| Opening balance | 35,000 | 30,000 |
| Issuance | - | 5,000 |
| Redemption | (10,000) | (10,000) |
| Closing balance (see Note 28) | **25,000** | **25,000** |

## 8. Dividends paid

| | 3 months ended 31 March 2012 RM'000 | 12 months ended 31 March 2012 RM'000 |
|---|---|---|
| Ordinary | | |
| Final dividend paid in respect of the previous financial year | - | 3,807 |

## 9. Segment information

The Group's primary format for reporting segment information is by business segments. Revenue from external customers represents the sales value of goods and services supplied to customers as well as revenue from construction contracts. The four major segments are detailed below:-

(a) Manufacturing - Manufacturing, marketing and sale of polyethylene engineering ("PE") products, reclaimed rubber and trading of other specialised and technical engineering products.

(b) Works - (i) Telecommunication towers
- Construction of telecommunication towers and share of rental proceeds from telecommunication towers

(ii) Water and wastewater infrastructure
- Design, construction and installation of water supply, storage infrastructure and treatment systems, and wastewater treatment systems

(c) Services - Sewage treatment services, treatment and disposal of sludge services as well as underground mapping of buried utilities, closed circuit television survey and investigation and rehabilitation of underground sewer and pipeline networks and storm water culverts.

(d) Plantations - Cultivation of oil palm and sale of fresh fruit bunches.

# Notes to the consolidated interim financial statements

(continued)

9. Segment information (continued)

**For the 12 months ended 31 March 2012**

| | Manufacturing | Works: Tele-communication towers | Works: Water and wastewater infrastructure | Services | Plantations | | Consolidated |
|---|---|---|---|---|---|---|---|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | | RM'000 |
| Segment revenue | 144,804 | 66,434 | 71,184 | 27,406 | 174 | | 310,002 |
| Segment profit/(loss) | 14,993 | 17,764 | 4,093 | (496) | (2,707) | * | 33,647 |
| Unallocated corporate expenses | | | | | | | (3,189) |
| Profit before taxation | | | | | | | 30,458 |

**For the 12 months ended 31 March 2011**

| | Manufacturing | Works: Tele-communication towers | Works: Water and wastewater infrastructure | Services | Plantations | | Consolidated |
|---|---|---|---|---|---|---|---|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | | RM'000 |
| Segment revenue | 115,977 | 38,508 | 103,904 | 27,517 | - | | 285,906 |
| Segment profit/(loss) | 15,193 | 13,741 | 8,989 | 1,470 | (2,017) | * | 37,376 |
| Unallocated corporate expenses | | | | | | | (2,830) |
| Profit before taxation | | | | | | | 34,546 |

* arising mainly from expenses that cannot be capitalised as part of plantation development expenditure.

# Notes to the consolidated interim financial statements

(continued)

9. Segment information (continued)

| | Cummulative Quarter 12 months ended | |
|---|---|---|
| | **31 March 2012 RM'000** | **31 March 2011 RM'000** |
| Revenue from external customers | | |
| Malaysia | 293,767 | 248,615 |
| Middle East | 11,318 | 33,791 |
| Other countries | 4,917 | 3,500 |
| | 310,002 | 285,906 |

10. Property, plant and equipment and prepaid lease payments

*(a) Acquisitions and disposals*

During the twelve months ended 31 March 2012, the Group acquired items of property, plant and equipment costing RM24,928,000 (twelve months ended 31 March 2011: RM31,367,000), of which RM2,880,000 (twelve months ended 31 March 2011: RM4,124,000) was in the form of finance lease assets.

During the twelve months ended 31 March 2012, the Group disposed of items of property, plant and equipment with a carrying amount of RM7,474,000 (twelve months ended 31 March 2011: RM975,000), resulting in a net gain on disposal of RM3,196,000 (twelve months ended 31 March 2011:gain RM187,000).

*(b) Valuations*

The valuations of land and buildings have been brought forward, without amendment from the previous audited financial statements.

11. Events subsequent to the balance sheet date

Weida Oil & Gas Sdn. Bhd.("WOGSB"), a wholly-owned dormant subsidiary of the Company, had on 30 April 2012 held an Extraordinary General Meeting at which it was resolved that WOGSB be wound-up voluntarily pursuant to Section 254 of the Companies Act, 1965.

12. Changes in composition of the Group

On 9 November 2011, the Company acquired 2 ordinary shares of RM1.00 each in the share capital of Weida Properties Sdn. Bhd. ("WPSB"), for a total cash consideration sum of RM2.00. As a result, WPSB became a 100% owned subsidiary of the Company.

On 8 December 2011, WPSB acquired 2 ordinary shares of RM1.00 each in the share capital of Loyal Paragon Sdn. Bhd. ("LPSB") for a total cash consideration sum of RM2.00. As a result, LPSB became a 100% owned subsidiary of WPSB.

On 9 March 2012, WPSB acquired 2 ordinary shares of RM1.00 each in the share capital of Good Axis Sdn. Bhd. ("GASB") for a total cash consideration sum of RM2.00. As a result, GASB became a 100% owned subsidiary of WPSB.

On 15 March 2012, Weida Water (ADRA) Sdn. Bhd., a 51% owned subsidiary of Weida Environmental Technology Sdn. Bhd., which in turn is a 56% owned subsidiary of the Company has submitted an application to the Companies Commissions of Malaysia for the de-registration pursuant to Section 308 of the Companies Act, 1965. The strike off has no material effect to the Group.

# Notes to the consolidated interim financial statements

(continued)

## 13. Changes in contingent liabilities

As at 31 March 2012, the Group has, in the ordinary course of business, provided bank guarantees of RM19,899,000 to third parties in the capacity of the Group as the sub-contractors of, or suppliers to, projects.

As at 24 May 2012, the Group has, in the ordinary course of business, provided bank guarantees of RM16,362,000 to third parties in the capacity of the Group as the sub-contractors of, or suppliers to, projects.

## 14. Capital commitments

| | **31 March 2012 RM'000** | **31 March 2011 RM'000** |
|---|---|---|
| Property, plant and equipment and oil palm plantation expenditure | | |
| Authorised but not contracted for | 46,423 | 50,523 |
| Contracted but not provided for | 490 | 2,054 |
| | 46,913 | 24,687 |

## 15. Material related party transactions

There were no material related party transactions except for the following:-

a) *Transaction with companies in which certain Directors have interests*

| | **Individual Quarter 3 months ended** | | **Cumulative Quarter 12 months ended** | |
|---|---|---|---|---|
| | **31 March 2012 RM'000** | **31 March 2011 RM'000** | **31 March 2012 RM'000** | **31 March 2011 RM'000** |
| Nature of transaction | | | | |
| Rental of premises | 65 | 65 | 260 | 260 |

b) *Transaction with a director*

| | **Individual Quarter 3 months ended** | | **Cumulative Quarter 12 months ended** | |
|---|---|---|---|---|
| | **31 March 2012 RM'000** | **31 March 2011 RM'000** | **31 March 2012 RM'000** | **31 March 2011 RM'000** |
| Nature of transaction | | | | |
| Rental of premises | 9 | - | 33 | - |

c) *Transaction with a major shareholder of the Company who is also the spouse of a director*

| | **Individual Quarter 3 months ended** | | **Cumulative Quarter 12 months ended** | |
|---|---|---|---|---|
| | **31 March 2012 RM'000** | **31 March 2011 RM'000** | **31 March 2012 RM'000** | **31 March 2011 RM'000** |
| Nature of transaction | | | | |
| Purchase of motor vehicle | - | - | 160 | - |

# Notes to the consolidated interim financial statements

(continued)

## 16. Compensations to key management personnel

Compensations paid to key management personnel are as follows:

| | **Individual Quarter 3 months ended** | | **Cumulative Quarter 12 months ended** | |
|---|---|---|---|---|
| | **31 March 2012 RM'000** | **31 March 2011 RM'000** | **31 March 2012 RM'000** | **31 March 2011 RM'000** |
| Directors of the Company | 387 | 317 | 5,097 | 3,402 |
| Directors of subsidiaries and other key management personnel | 2,038 | 2,105 | 8,113 | 7,621 |
| | 2,425 | 2,422 | 13,210 | 11,023 |

## 17. Other intangible assets

Other intangible assets comprise:

i) the cost of an exclusive licence acquired allowing an indirect subsidiary to use and exploit for a period of five years certain technical information relating to the operation of specialized equipment within South-East Asia; and

ii) the right to share rental proceeds of telecommunication towers arising from the construction of telecommunication towers for a network facility provider licence holder (NFPLH), the payments for which are via a share with the NFPLH in pre-determined ratios of the rental proceeds from leasing of the towers to telecommunication companies. These intangible assets are stated at cost less any accumulated amortisation and any accumulated impairment losses.

## 18. Other receivable

Non-current other receivable represents an amount due from a former associate of the Group which is secured by first fixed and floating charges over the company's assets and bears interest at 6.00% (31.03.2011 : 6.00%) per annum.

## 19. Trade and other receivables

Included in the trade receivables are retention sums of RM30.3 million (2011: RM32.2 million), receivable from the Government of Syrian Arab Republic in respect of sewerage and water treatment plants constructed by a subsidiary. On the other hand, included in trade and other payables as at 31 March 2012 is a sum of RM4.4 million, being advances received from the Government of Syrian Arab Republic. During the financial year ended 31 March 2012, an impairment loss of RM5.5 million has been provided against these retention sums in view of the escalating political unrest in Syria. The impairment losses are recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at 15% per annum. The discount rate was determined based on management's best judgement of the on-going risks involved, including country risk premium (i.e. political and economic risks).

Despite the present political unrest in Syrian Arab Republic, the project works still continue and monthly progress claims are paid promptly within the contractual period during the financial year. There is no indication that the Government of Syrian Arab Republic would not continue to honour its obligations when they fall due. Further and in addition, the subsidiary has collected additional payments of RM3.2 million from the Government of Syrian Arab Republic subsequent to the financial year ended 31 March 2012. The Group will continue to monitor the political situation in Syrian Arab Republic and reassess the recoverability of the receivables if warranted.

## 20. Fair value hierarchy

In the 12 months ended 31 March 2012, there were no transfers between a fair value hierarchy and no reclassifications of the financial assets as a result of a change in the purpose or use of those assets.

# Additional information required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

(continued)

## 21. Review of performance

The revenue for financial year ended 31 March 2012 amounting to RM310.0 million is 8.4% higher as compared to the RM285.9 million achieved in the previous financial year. However, the profit before tax amounting to RM30.5 million for the financial year ended 31 March 2012 is lower as compared to the RM34.5 million achieved for the previous financial year, mainly due to the followings:

(a) increase in raw material costs;
(b) impairment loss amounting to RM5.5 million provided against the retention sums receivable from the Government of Syrian Arab Republic (see Note 19); and
(c) goodwill written off of RM1.3 million.

The revenue for the quarter ended 31 March 2012 amounting to RM106.0 million was 27.1% higher as compared to the RM83.4 million achieved in the corresponding quarter of the previous financial year. However, the profit before tax amounting to RM10.9 million for the quarter ended 31 March 2012 was lower as compared to the RM13.1 million achieved for the corresponding quarter of the previous financial year mainly due to the reason explained in the previous paragraph.

Performance of each operating segment is discussed below:

**a) Manufacturing**

| Current quarter | Current quarter ended 31 March 2012 (RM'000) | Preceding quarter ended 31 December 2011 (RM'000) | Corresponding quarter ended 31 March 2011 (RM'000) |
|---|---|---|---|
| Revenue | 37,097 | 39,095 | 24,848 |
| Segment profit | 4,345 | 2,513 | 3,287 |

| Cumulative quarters | Financial year ended 31 March 2012 (RM'000) | Financial year ended 31 March 2011 (RM'000) |
|---|---|---|
| Revenue | 144,804 | 115,977 |
| Segment profit | 14,993 | 15,193 |

The revenue increased as compared to the last corresponding quarter/year mainly due to the continuous trend of strong demands in certain polyethylene engineering products. However, the segment profit before tax has decreased in the current financial year as compared to the previous financial year ended 31 March 2011 mainly due to the increase in raw material costs.

(continued)

21. Review of performance (continued)

**b) Works**

***Telecommunication towers, water and wastewater infrastructure***

| Current quarter | Current quarter ended 31 March 2012 (RM'000) | Preceding quarter ended 31 December 2011 (RM'000) | Corresponding quarter ended 31 March 2011 (RM'000) |
|---|---|---|---|
| Revenue | 60,110 | 51,618 | 45,325 |
| Segment profit/(loss) | 10,850 | 10,958 | 11,437 |

| Cumulative quarters | Financial year ended 31 March 2012 (RM'000) | Financial year ended 31 March 2011 (RM'000) |
|---|---|---|
| Revenue | 137,618 | 142,412 |
| Segment profit | 21,857 | 22,730 |

The above figures reflect the ebb and flow nature of works segment. The cumulative segment revenue and profit has reduced slightly as compared to the previous financial year ended 31 March 2011 due to in part the impairment loss of RM5.5 million provided against the retention sums receivable from the Government of Syrian Arab Republic in the financial year ended 31 March 2012.

**c) Services**

| Current quarter | Current quarter ended 31 March 2012 (RM'000) | Preceding quarter ended 31 December 2011 (RM'000) | Corresponding quarter ended 31 March 2011 (RM'000) |
|---|---|---|---|
| Revenue | 8,686 | 8,366 | 13,270 |
| Segment (loss)/profit | (1,345) | 1,458 | 1,294 |

| Cumulative quarters | Financial year ended 31 March 2012 (RM'000) | Financial year ended 31 March 2011 (RM'000) |
|---|---|---|
| Revenue | 27,406 | 27,517 |
| Segment (loss)/profit | (496) | 1,470 |

In the current year, the segment is loss making mainly due to goodwill written off of RM1.3 million. It is further exacerbated by higher costs and losses incurred in a project as compared to the last financial year.

# Additional information required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

(continued)

21. Review of performance (continued)

**d) Plantations**

| Current quarter | Current quarter ended 31 March 2012 (RM'000) | Preceding quarter ended 31 December 2011 (RM'000) | Corresponding quarter ended 31 March 2011 (RM'000) |
|---|---|---|---|
| Revenue | 111 | 63 | - |
| Segment profit/(loss) | (889) | 107 | (1,416) |

| Cumulative quarters | Financial year ended 31 March 2012 (RM'000) | Financial year ended 31 March 2011 (RM'000) |
|---|---|---|
| Revenue | 174 | - |
| Segment loss | (2,707) | (2,017) |

The plantation segment started to generate revenue in the current financial year due to a small area of the oil palm plantation attaining maturity in the preceding quarter. This segment is loss making mainly due to expenses incurred in the on-going development of the plantation that cannot be capitalised as part of the plantation development expenditure and also due to amortisation of plantation development expenditure for the area that has attained maturity.

22. Variation of results against preceding quarter

The revenue for the quarter ended 31 March 2012 amounting to RM106.0 million was higher by 7.0% than the RM99.1 million achieved in the preceding quarter. However, the profit before tax amounting to RM10.9 million for the current quarter was lower as compared to the RM14.6 million achieved in the preceding quarter, mainly due to goodwill written off amounting to RM1.3 million and impairment loss amounting to RM5.5 million provided against the retention sums receivable from the Government of Syrian Arab Republic (see Note 19).

23. Prospects for the financial year ending 31 March 2013

The areas of focus of the Tenth Malaysia Plan ($10^{th}$ MP) augur well for the Group, particularly in the areas of water supply, sanitation facilities, housing and telecommunication towers.

The growing emphasis on environment sustainability also bodes well for the Group. Over the years, the Group has significantly grown and enhanced its human and engineering capital, via active involvement and collaboration with a network of established international organisations. The Group has successfully been playing, and will continue to play, the role as a provider of environmental engineering solutions; such as in the field of water and wastewater treatment, septic sludge treatment and renewable energy.

To further broaden its income base and growth, the Group is preparing itself to venture into property development, incorporating environmental considerations.

As such, barring unforeseen circumstances, the Directors are cautiously optimistic of achieving respectable results for the Group for the financial year ending 31 March 2013 on the strength of the diversified base of the Group (see Note 9).

(continued)

24. Sales and profit forecast

Not applicable as no sales and profit forecast was published.

25. Income tax expense

| | Individual Quarter 3 months ended | | Cumulative Quarter 12 months ended | |
|---|---|---|---|---|
| | **31 March 2012 RM'000** | **31 March 2011 RM'000 (Restated)** | **31 March 2012 RM'000** | **31 March 2011 RM'000** |
| Income tax expense | | | | |
| Malaysian - current year | 3,716 | 4,393 | 11,466 | 11,929 |
| - prior years | (342) | (17) | (1,078) | (1,038) |
| | 3,374 | 4,376 | 10,388 | 10,891 |
| Deferred tax (income)/ | | | | |
| Expenses - current year | (1,592) | 844 | (3,388) | (478) |
| - prior years | (154) | (51) | (154) | (51) |
| | (1,746) | 793 | (3,542) | (529) |
| | 1,628 | 5,169 | 6,846 | 10,362 |

The Group's effective tax rate for the current quarter under review is lower than the prima facie tax rate mainly due to the gain on disposal of land and buildings which is non taxable. However, the Group's effective tax rate for corresponding quarter in the previous financial year, current cumulative quarter and corresponding cumulative quarter of the previous financial year is higher than the prima facie tax rate mainly due to the effect of non-tax allowable expenses being more than the effect of reinvestment allowance utilised by a subsidiary.

26. Status of corporate proposals

Not applicable.

27. Utilisation of share proceeds

Not applicable.

28. Borrowings

| | **31 March 2012 RM'000** | **31 March 2011 RM'000** |
|---|---|---|
| Non-current | | |
| Unsecured | 28,613 | 52,580 |
| Secured | 53,736 | 25,277 |
| | 82,349 | 77,857 |
| Current | | |
| Unsecured | 113,788 | 43,896 |
| Secured | 2,538 | 1,935 |
| | 116,326 | 45,831 |
| Total | 198,675 | 123,688 |

The above current unsecured borrowings include debt securities (corporate bonds) amounting to RM25 million (see Note 7).

All borrowings are denominated in Ringgit Malaysia.

# Additional information required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

(continued)

## 29. Derivatives financial instruments

The outstanding derivatives as at the end of the quarter under review are as follows:

| | Contract/Notional Value RM'000 | Net Fair Value RM'000 |
|---|---|---|
| Foreign exchange contracts<br>- less than 1 year | 25 | 24 |

Foreign currency exchange forward contracts are used as a hedging tool to minimise the Group's exposure to changes in fair value of its firm commitment conducted in the ordinary course of business, against fluctuations in exchange rates. The fair value of the forward contracts is determined using forward rates at the end of reporting period and changes in fair value is recognised in income statement. The subsequent cumulative changes in the fair value of the firm commitment attributable to the hedged risks is recognised as an asset or liability with the corresponding gain or loss recognised in income statement.

The above financial instrument is subject to credit risk arising from the possibility of default by the counterparty in meeting its contractual obligations. This, however is minimised as the financial instrument is executed with creditworthy financial institutions. The Group has set aside the cash required in meeting the above liability when it falls due or in tandem with the settlement of the underlying hedged item.

## 30. Gains/Losses arising from fair value changes of financial laibilities

There were no material gains/losses arising from fair value changes of financial liabilities for the current quarter and financial period-to-date.

## 31. Material litigation

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

## 32. Auditor's report on preceding annual financial statements

The auditor's report on the audited annual financial statements for the year ended 31 March 2011 was not qualified.

(continued)

33. Profit for the period

| | Individual Quarter 3 months ended | | Cumulative Quarter 12 months ended | |
|---|---|---|---|---|
| | 31 March 2012 RM'000 | 31 March 2011 RM'000 | 31 March 2012 RM'000 | 31 March 2011 RM'000 |
| ***Profit for the period is arrived at after charging:*** | | | | |
| Amortisation of intangible assets | 991 | 941 | 3,999 | 4,555 |
| Amortisation of plantation development expenditure | 73 | - | 109 | - |
| Amortisation of prepaid lease payment | 30 | 30 | 119 | 119 |
| Amortisation of goodwill | 54 | 118 | 130 | 323 |
| Goodwill written off | 1,350 | - | 1,350 | - |
| Property, plant and equipment write off | 39 | 239 | 76 | 242 |
| Allowance for impairment loss on receivables | 5,799 | 396 | 5,799 | 488 |
| Depreciation of property, plant & equipment | 2,516 | 1,377 | 9,371 | 7,636 |
| Finance cost | 563 | 1,055 | 3,911 | 2,636 |
| Loss on foreign exchange | 489 | 632 | 260 | 489 |
| Derivative loss on forward foreign currency contracts | - | 47 | 1 | 48 |
| ***and after crediting:*** | | | | |
| Bad debt recovered | - | 292 | - | 292 |
| Dividend income | 2 | - | 47 | 1 |
| Finance income | 44 | 1,458 | 1,989 | 2,657 |
| Gain on disposal of property, plant & equipment | 3,069 | - | 3,196 | 187 |
| Gain on disposal of other investments | 24 | - | 144 | 1 |
| Reversal of allowance for impairment loss on receivables | 124 | 678 | 255 | 678 |
| Derivative gain on forward foreign currency contracts | 5 | | - | - |
| Exceptional item | | | | |
| -Gain on disposal of intangible assets | - | 6,617 | - | 6,617 |

There were no allowance for impairment loss of assets, allowance for impairment loss of inventories and exceptional items for the current quarter and current financial year to date.

# Additional information required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

(continued)

34. Dividend payable

No dividend has been recommended or paid for the current financial year to date.

35. Earnings per share

***(a) Basic earnings per share***

Basic earnings per share is calculated by dividing the profit after taxation for the year by the weighted average number of ordinary shares in issue during the year.

| | Individual Quarter 3 months ended | | Cumulative Quarter 12 months ended | |
|---|---|---|---|---|
| | **31 March 2012** | **31 March 2011** | **31 March 2012** | **31 March 2011** |
| | **RM'000** | **RM'000 (Restated)** | **RM'000** | **RM'000** |
| Profit for the year | 9,306 | 7,905 | 23,612 | 24,184 |
| Add/(Less): Amount attributable to non-controlling interests | 780 | (1,913) | 508 | (2,349) |
| Profit for the period attributable to owners of the Company | 10,086 | 5,992 | 24,120 | 21,835 |
| Weighted average number of ordinary shares in issue ('000) | 126,895 | 126,896 | 126,895 | 126,896 |
| Basic earnings per share (sen) | 7.95 | 4.72 | 19.01 | 17.21 |

The weighted average number of ordinary shares in issue during the individual quarter and cumulative quarter under review has been adjusted for the treasury shares bought back by the Company during the period (see Note 7). The number of ordinary shares in issue, net of treasury shares acquired, as at the quarter ended 31 March 2012 is 126,895,232 (31 March 2011: 126,895,499).

***(b) Diluted earnings per share***

This is not applicable as there exists no share option, warrants or other financial instruments that will dilute or have the effect of diluting the basic earnings per share.

# Additional information required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

(continued)

36. Supplementary information on the breakdown of realised and unrealised profits or losses

| | **31 March 2012 RM'000** | **31 March 2011 RM'000** |
|---|---|---|
| Total retained earnings of the Company and its subsidiaries: | | |
| - Realised | 151,316 | 122,039 |
| - Unrealised | (4,667) | (4,502) |
| | 144,649 | 117,537 |
| Consolidation adjustments | 1,263 | 9,605 |
| Total group retained earnings as per consolidated accounts | 147,912 | 127,142 |

37. Prior year adjustments on intangible assets

A subsidiary undertook the construction of telecommunication towers for a Network Facility Provider Licence Holder ("NFPLH") in the financial years 2006 to 2011. The towers when completed were leased to telecommunication companies by the NFPLH. As payments for the contract claims arising from the construction of the telecommunication towers, the NFPLH entered into an agreement with the subsidiary to share the rental proceeds from leasing of the telecommunication towers in pre-determined ratios for a period of ten years commencing from the month when the rental proceeds are first received. Up to the financial year ended 31 March 2010, the contract receivables were accounted for as loans and receivables. In re-examining the contract receivables, particularly the manner in which they are paid by the NFPLH, the Group has decided that the assets are better accounted for as intangible assets in accordance with FRS 138, *Intangible Assets*. The Group has accordingly effected prior year adjustments to account for the contract receivables retrospectively as intangible assets.

The intangible assets arising from the construction of telecommunication towers for the NFPLH have since been stated at cost less any accumulated amortisation and any accumulated impairment losses.

Certain comparatives in the consolidated statement of changes in equity have been restated as a result.

38. 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 30 May 2012.