Consolidated Statement of Financial Position

As at 30 September 2012

	Note	30 September 2012 RM'000	31 March 2012 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		161,904	162,688
Prepaid lease payments		3,468	3,528
Oil palm plantation development expenditure		52,840	46,130
Investment in an associate		398	-
Other investments		1,416	1,452
Deferred tax assets		5,887	3,541
Goodwill		719	739
Other intangible assets	16	40,844	42,856
Other receivable	17	10,307	18,036
		277,783	278,970
Current assets			
Inventories		42,294	39,983
Trade and other receivables, including derivatives	18	144,407	165,637
Deposits and prepayments		14,469	12,869
Current tax recoverable		1,557	3,721
Deposits, bank and cash balances		65,908	54,982
		268,635	277,192
Total assets		546,418	556,162

Consolidated Statement of Financial Position

As at 30 September 2012

	Note	30 September 2012 RM'000	31 March 2012 RM'000
(continued)			
EQUITY			
Equity attributable to owners of the Company			
Share capital		66,667	66,667
Reserves		145,670	141,406
Treasury shares		(4,599)	(4,599)
		207,738	203,474
Non-controlling interests		27,821	27,974
Total equity		235,559	231,448
LIABILITIES			
Non-current liabilities			
Loans and borrowings	27	119,731	82,349
Deferred tax liabilities		15,414	15,631
		135,145	97,980
Current liabilities			
Trade and other payables, including derivatives		98,847	108,217
Dividend payable		3,807	-
Loans and borrowings	27	70,420	116,327
Current tax payable		2,640	2,190
		175,714	226,734
Total liabilities		310,859	324,714
Total equity and liabilities		546,418	556,162
Net assets per ordinary share attributable to owners of the Company, net of treasury shares (RM)		1.64	1.60

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

WEIDA (M) BHD (Company No. 504747-W)
UNAUDITED INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

Condensed Consolidated Statement of Comprehensive Income

For the period ended 30 September 2012

	Note	Individual Quarter 3 months ended 30 September 2012 RM'000	Individual Quarter 3 months ended 30 September 2011 RM'000	Cumulative Quarter 6 months ended 30 September 2012 RM'000	Cumulative Quarter 6 months ended 30 September 2011 RM'000
Revenue	8	111,001	54,146	183,295	104,856
Operating profit		9,858	1,780	13,698	5,401
Finance costs		(1,347)	(1,110)	(2,793)	(2,598)
Finance income		692	909	1,362	2,025
Amortisation of goodwill		(10)	(24)	(20)	(39)
Gain on disposal of other investments		-	-	-	120
Share of results of equity accounted associate		-	-	(2)	-
Profit before taxation	8	9,193	1,555	12,245	4,909
Income tax expense	24	(2,793)	(425)	(3,651)	(1,445)
Profit after taxation		6,400	1,130	8,594	3,464
Other comprehensive (loss)/income, net of tax					
Fair value changes of available-for-sale financial assets		(3)	(27)	(63)	(98)
Foreign currency translation differences for foreign operations		87	(500)	(613)	(203)
Other comprehensive (loss)/income for the period, net of tax		84	(527)	(676)	(301)
Total comprehensive income for the period, net of tax		6,484	603	7,918	3,163
Profit attributable to:					
Owners of the Company		6,240	1,055	8,516	3,624
Non-controlling interests		160	75	78	(160)
Profit for the period		6,400	1,130	8,594	3,464
Total comprehensive income attributable to:					
Owners of the Company		6,391	550	8,071	3,251
Non-controlling interests		93	53	(153)	(88)
Total comprehensive income for the period		6,484	603	7,918	3,163
Basic /Diluted earnings per ordinary share attributable to owners of the Company (sen)	34	4.92	0.83	6.71	2.86

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

Consolidated Statement of Changes in Equity

For the period ended 30 September 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 2012		133,333	66,667	10,233	(16,833)	(869)	(126)	(4,599)	149,001	203,474	27,974	231,448
Realisation of revaluation reserve		-	-	(125)	-	-	-	-	125	-	-	-
Foreign currency translation differences for foreign operations		-	-	-	-	*(382)*	-	-	-	*(382)*	*(231)*	*(613)*
Fair value changes of available-for-sale financial assets		-	-	-	-	-	*(63)*	-	-	*(63)*	-	*(63)*
Total other comprehensive loss for the financial period		-	-	-	-	(382)	(63)	-	-	(445)	(231)	(676)
Profit for the period		-	-	-	-	-	-	-	8,516	8,516	78	8,594
Total comprehensive (loss)/income for the period		-	-	-	-	(382)	(63)	-	8,516	8,071	(153)	7,918
Distributions to owners of the Company:												
- Own shares acquired	*6*	-	-	-	-	-	-	-	-	-	-	-
- Dividends to owners of the Company	*7*	-	-	-	-	-	-	-	*(3,807)*	*(3,807)*	-	*(3,807)*
Total distributions to owners of the Company		-	-	-	-	-	-	-	(3,807)	(3,807)	-	(3,807)
At 30 September 2012		133,333	66,667	10,108	(16,833)	(1,251)	(189)	(4,599)	153,835	207,738	27,821	235,559

WEIDA (M) BHD (Company No. 504747-W)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2012

Consolidated Statement of Changes in Equity

For the period ended 30 September 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	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
Realisation of revaluation reserve		-	-	(125)	-	-	-	-	125	-	-	-
Foreign currency translation differences for foreign operations						*(275)*				*(275)*	*72*	*(203)*
Fair value changes of available-for-sale financial assets		-	-	-	-	-	*(98)*	-	-	*(98)*	-	*(98)*
Total other comprehensive income for the financial period		-	-	-	-	(275)	(98)	-	-	(373)	72	(301)
Profit for the period		-	-	-	-	-	-	-	3,624	3,624	(160)	3,464
Total comprehensive income for the period		-	-	-	-	(275)	(98)	-	3,624	3,251	(88)	3,163
Distributions to owners of the Company:												
- Own shares acquired	6	-	-	-	-	-	-	-	-	-	-	-
- Dividends to owners of the Company	7	-	-	-	-	-	-	-	*(3,807)*	*(3,807)*	-	*(3,807)*
Total distributions to owners of the Company		-	-	-	-	-	-	-	(3,807)	(3,807)	-	(3,807)
At 30 September 2011		133,333	66,667	10,565	(16,833)	(670)	(98)	(4,599)	127,084	182,116	26,076	208,192

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

Consolidated Statement of Cash Flows

For the period ended 30 September 2012

	30 September 2012 RM'000	30 September 2011 RM'000
Profit after taxation for the period	8,594	3,464
Adjustments for:		
Amortisation of intangible assets	2,012	2,017
Amortisation of goodwill	20	39
Amortisation of oil palm plantation development expenditure	330	-
Depreciation of property, plant & equipment	4,822	4,420
Amortisation of prepaid lease payments	60	60
Derivative loss/(gain) on forward foreign currency contracts	219	(35)
Dividend income	(21)	(23)
Finance costs	2,793	2,598
Finance income	(1,362)	(2,025)
Loss/(Gain) on foreign exchange	392	(4)
Gain on disposal of property, plant and equipment	(131)	(78)
Property, plant & equipment written off	57	6
Gain on disposal of other investments	-	(120)
Income tax expense	3,651	1,445
Share of results of equity accounted associate	2	-
Operating profit before changes in working capital	21,438	11,764
Change in inventories	(2,311)	(4,358)
Change in trade and other receivables, including derivatives and deposits and prepayments	27,405	11,652
Change in trade and other payables, including derivatives	(8,832)	(11,330)
Cash generated from operations	37,700	7,728
Interest paid	(823)	(794)
Income tax paid	(3,601)	(5,026)
Net cash from operating activities	33,276	1,908
Cash flows from investing activities		
Increase in investment in an existing associate	(400)	-
(Increase)/Decrease in cash and cash equivalents pledged with licensed banks	(146)	6,295
Acquisition of property, plant and equipment	(5,757)	(10,625)
Acquisition of other investments	(27)	(2,129)
Incurrence of oil palm plantation development expenditure, net of depreciation and amortisation expenses capitalised	(5,636)	(6,808)
Proceeds from disposal of other investments	-	916
Proceeds from disposal of property, plant and equipment	637	928
Dividend income	21	19
Interest received	1,362	873
Net cash used in investing activities	(9,946)	(10,531)

Consolidated Statement of Cash Flows

For the year ended 30 September 2012.

	30 September 2012 RM'000	30 September 2011 RM'000
(continued)		
Cash flows from financing activities		
(Repayment of)/Net proceeds from bonds issued	(25,000)	(5,000)
Net proceeds from bankers' acceptances	(12,824)	13,491
Net proceeds from other loans and borrowings	29,597	32,939
Interest expenses	(1,864)	(1,172)
Net cash (used in)/from financing activities	(10,091)	40,258
Net increase in cash and cash equivalents	13,239	31,635
Effects of exchange rate fluctuations on cash held	(1,339)	(633)
Cash and cash equivalents at beginning of period	51,074	29,628
Cash and cash equivalents at end of period	62,974	60,630

Note

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

Deposits, bank and cash balances	65,908	62,647
Cash and cash equivalents pledged for banking facilities	(2,934)	(2,017)
Total cash and cash equivalents shown in statement of cash flows	62,974	60,630

The consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012 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 are unaudited and 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 condensed consolidated interim financial statements of the Group as at and for the six months ended 30 September 2012 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associate.

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 2012 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 financial year ended 31 March 2012, 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
IC Interpretation 19, *Extinguishing Financial Liabilities with Equity Instruments*	1 July 2011
FRS 124, *Related Party Disclosures (revised)*	1 January 2012
Amendments to FRS 7, *Financial Instruments: Disclosures- Transfers of Financial Assets*	1 January 2012

The adoption of the above FRS standards, interpretations and amendments does not have any material impact on the financial performance or position of the Group.

2.2 Standards, amendments and interpretations yet to be effective

The Group has not applied the following standards, amendments and interpretations that have been issued by the MASB but are only effective for annual periods beginning on or after the respective dates indicates therein:

Standard/Amendment/Interpretation	Effective date
Amendments to FRS 101, *Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income*	1 July 2012
Amendments to FRS 7, *Financial Instruments: Disclosures-Offsetting Financial Assets and Financial Liabilites*	1 January 2013
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

Notes to the consolidated interim financial statements

(continued)

2. Significant accounting policies (continued)

2.2 Standards, amendments and interpretations yet to be effective (continued)

Standard/Amendment/Interpretation	**Effective date**
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 132, *Financial Instruments:Presentation – Offsetting Financial Assets and Financial Liabilities*	1 January 2014
Amendments to FRS 7, *Financial Instruments Disclosure - Mandatory Date of FRS 9 and Transition Disclosures*	1 January 2015
FRS 9, *Financial Instruments (2009 & 2010)*	1 January 2015

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.

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 MFRS 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 (herein referred to as transitioning entities), may continue to apply FRS as their financial reporting framework for annual reporting periods beginning on or after 1 January 2012. Transitioning entities were required, in accordance with MASB's initial announcement on 19 November 2011, to comply with the MFRS framework for annual periods beginning on or after 1 January 2013.

On 30 June 2012, MASB made a further announcement to allow transitioning entities to defer the adoption of the MFRS framework for another year. Transitioning entities are now required to apply the MFRS framework for annual reporting periods beginning on or after 1 January 2014 by the latest.

Certain entities of the Group are transitioning entities. Pending the completion of the proposed disposal of the transitioning entities (Note 10), the financial statements of the Group will continue to be prepared in compliance with FRS for the financial years ending 31 March 2013 and 31 March 2014. They will be prepared in compliance with MFRS from the financial year beginning on 1 April 2014. Upon completion of the proposed disposal, the Group will be migrating to the MFRS framework, and will not adopt the standards, amendments and interpretation listed earlier.

Notes to the consolidated interim financial statements

(continued)

3. Seasonal or cyclical factors

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

4. Unusual items due to their nature, size and incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the three months ended 30 September 2012.

5. Changes in estimates

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

6. Debts and equity securities

There were no issuances, cancellations, repurchases, resales and repayment of equity securities in the cumulative and current quarter under review except for the repurchase of 100 own shares which are retained as treasury shares at an average price of RM0.96 per share financed by internally generated funds in May 2012.

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

	Individual Quarter 3 months ended 30 September 2012 RM'000	**Cumulative Quarter 6 months ended 30 September 2012 RM'000**
Opening balance	25,000	25,000
Redemption	(25,000)	(25,000)
Closing balance	-	-

7. Dividends paid

There were no dividends paid during the current quarter under review.

Notes to the consolidated interim financial statements

(continued)

8. 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, wastewater and other infrastructure
- Design, construction and installation of water supply, storage infrastructure and treatment systems, wastewater treatment systems, hydro systems and other infrastructure

(c) Services - Sewerage 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)

8. Segment information (continued)

For the 6 months ended 30 September 2012

	Manufacturing	Works: Tele-communication towers	Works: Water, wastewater and other infrastructure	Services	Plantations		Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000
Segment revenue	98,429	4,800	61,223	17,745	1,098		183,295
Segment profit/(loss)	9,919	116	5,158	1,208	(3,013)	*	13,388
Unallocated corporate expenses							(1,141)
Share of results of an associate							(2)
Profit before taxation							12,245

For the 6 months ended 30 September 2011

	Manufacturing	Works: Tele-communication towers	Works: Water, wastewater and other infrastructure	Services	Plantations		Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000
Segment revenue	68,612	5,149	20,741	10,354	-		104,856
Segment profit/(loss)	8,135	(169)	218	(609)	(1,925)	*	5,650
Unallocated corporate expenses							(741)
Profit before taxation							4,909

* arising mainly from expenses that cannot be capitalised as part of plantation development expenditure, following the declaration of maturity for certain blocks of oil palms

Notes to the consolidated interim financial statements

(continued)

8. Segment information (continued)

	Cumulative Quarter 6 months ended	
	30 September 2012 RM'000	**30 September 2011 RM'000**
Revenue from external customers		
Malaysia	179,318	97,817
Middle East	1,202	4,542
Other countries	2,775	2,497
	183,295	104,856

9. Property, plant and equipment and prepaid lease payments

(a) *Acquisitions and disposals*

During the six months ended 30 September 2012, the Group acquired items of property, plant and equipment costing RM6,579,000 (six months ended 30 September 2011: RM11,985,000), of which RM822,000 (six months ended 30 September 2011: RM1,360,000) was in the form of finance lease assets.

During the six months ended 30 September 2012, the Group disposed of items of property, plant and equipment with a carrying amount of RM526,000 (six months ended 30 September 2011: RM850,000), resulting in a net gain on disposal of RM111,000 (six months ended 30 September 2011:gain RM78,000).

(b) *Valuations*

The valuations of land and buildings have been brought forward, since the previous audited financial statements.

10. Subsequent events

On 25 October 2012, the Company had entered into the following two (2) inter-conditional Share Sale Agreements ("SSAs") with TH Plantations Berhad ("THP") to dispose of:-

(i) all of its 51.43% equity interest in Bumi Suria Ventures Sdn. Bhd. ("BSV") comprising 7,500,000 class B BSV shares of RM1.00 each in BSV for an indicative net cash consideration of RM109,290,807;

(ii) all of its 100% equity interest in Maju Warisanmas Sdn. Bhd. ("MWM") comprising 1,151,998 ordinary shares of RM1.00 each in MWM for an indicative net cash consideration of RM42,081,000,

subject to the completion of the conditions precedent ("CP") set out in the SSAs.

The CP are to be fulfilled within 3 months from the date of the SSAs subject to an automatic extension of 2 months or such other date(s) as the vendors and THP may agree in writing.

Upon completion of the disposals, BSV and MWM shall cease to be subsidiaries of the Company.

11. Changes in composition of the Group

On 20 September 2012, the Company's 56% owned subsidiary, Weida Environmental Technology Sdn. Bhd. ("WETSB") acquired 100,000 ordinary shares of RM1.00 each in the share capital of Weida Bioenergy Sdn. Bhd. (formerly known as Nicoplex Sdn. Bhd.) ("WBESB"), for a total cash consideration of RM100,000. As a result, WBESB became a 100% owned subsidiary of WETSB.

Notes to the consolidated interim financial statements

(continued)

12. Changes in contingent liabilities (continued)

As at 30 September 2012, the Group has, in the ordinary course of business, provided bank guarantees of RM15,992,000 to third parties in the capacity of the Group as the sub-contractors of, or suppliers to, projects.

As at 23 November 2012, the Group has, in the ordinary course of business, provided bank guarantees of RM17,802,000 to third parties in the capacity of the Group as the sub-contractors of, or suppliers to, projects.

13. Capital commitments

	30 September 2012 RM'000	31 March 2012 RM'000
Property, plant and equipment and oil palm plantation expenditure		
Authorised but not contracted for	34,973	46,424
Contracted but not provided for	5,291	490
	40,264	46,914

14. 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 6 months ended	
	30 September 2012 RM'000	**30 September 2011 RM'000**	**30 September 2012 RM'000**	**30 September 2011 RM'000**
Nature of transaction				
Rental of premises	65	65	130	130

b) Transaction with a director

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 September 2012 RM'000	**30 September 2011 RM'000**	**30 September 2012 RM'000**	**30 September 2011 RM'000**
Nature of transaction				
Rental of premises	9	9	18	15

15. Compensations to key management personnel

Compensations paid/payable to key management personnel are as follows:

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 September 2012 RM'000	**30 September 2011 RM'000**	**30 September 2012 RM'000**	**30 September 2011 RM'000**
Directors of the Company	383	4,015	762	4,327
Directors of subsidiaries and other key management personnel	2,105	3,266	3,430	4,480
	2,488	7,281	4,192	8,807

Notes to the consolidated interim financial statements

(continued)

16. Other intangible assets

Other intangible assets comprise:

- ***Intellectual property licences***
  The exclusive licences acquired allow the Group:

  (i) to use and exploit for a period of five (5) years certain technical information relating to the operation of specialised equipment within South East Asia.

  (ii) to have access to secret technical and commercial information related to the manufacture and use of LIPP tanks and Biogas plants within Malaysia for a period of fifteen (15) years.

- ***Rights to share rental proceeds of telecommunication towers***
  This arises from the construction of telecommunication towers for a network facility provider licence holder ("NFPLH") in prior years. As payments for the contract claims arising from the construction works carried out, the NFPLH and a subsidiary share the rental proceeds from the 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.

17. Other receivable

Non-current other receivable represents an amount due from a former associate of the Group which is secured by a first fixed and floating charges over the former associate's assets and bears fixed interest at 6.00% (31.03.2012 : 6.00%) per annum. The amount is repayable in full by December 2017.

18. Trade and other receivables, including derivatives

Included in trade receivables is a gross amount of RM24.9 million (31 March 2012: RM32.7 million), of which RM22.9 million (31 March 2012: RM30.3 million) are gross retention sums, receivable from the Government of Syrian Arab Republic in respect of sewerage and water treatment plants constructed by a subsidiary.

An impairment loss of RM3.9 million had been provided against these retention sums in the last financial year in view of the escalating political unrest in Syrian Arab Republic. The quantum of impairment loss was estimated premised on a delay in the receipt of the retention sums by two (2) years as well as taking into account the advance payment received from and the amount due to contract customer attributable to the Government of Syrian Arab Republic totalling some RM15.3 million. The impairment loss was recognised in profit or loss and measured as the difference between the carrying amount of the retentions sums and the present value of estimated future cash flows discounted at 15% per annum. The discount rate was determined based on management's best judgment of the on-going risks involved, including country risk premium (i.e. political and economic risks). There has been no change in the allowance for impairment loss on the above receivable as at 30 September 2012.

Despite the political unrest in Syrian Arab Republic, the Company still continues with the construction works in the country and has managed subsequent to 31 March 2012 to recover additional sums of Euro2,072,927 (equivalent to RM8,229,000) which include RM727,000 for progress claims and its related retention sums rendered after the financial year end from the Government of Syrian Arab Republic.

19. Fair value hierarchy

In the 6 months ended 30 September 2012, there were no transfers between fair value hierarchies and no reclassifications of the financial assets as a result of a change in the purpose or use of those assets.

(continued)

20. Review of performance

The revenue for financial period ended 30 September 2012 amounting to RM183.3 million is 74.7% higher as compared to the RM104.9 million achieved in the corresponding cumulative quarter in the previous financial year. The profit before tax amounting to RM12.2 million for the financial period ended 30 September 2012 is higher as compared to the RM4.9 million achieved for the corresponding cumulative quarter in the previous financial year mainly due to higher contribution from the works division and the continuing trend of strong demand in certain polyethylene engineering products.

The revenue for the quarter ended 30 September 2012 amounting to RM111.0 million was 105.2% higher as compared to the RM54.1 million achieved in the corresponding quarter of the previous financial year. The profit before tax amounting to RM9.2 million for the quarter ended 30 September 2012 was higher as compared to the RM1.6 million achieved for the corresponding quarter of the previous financial year mainly due to the similar reasons as mentioned in the previous paragraph.

Performance of each operating segment is discussed below:

a) Manufacturing

Current quarter	Current quarter ended 30 September 2012 (RM'000)	Preceding quarter ended 30 June 2012 (RM'000)	Corresponding quarter ended 30 September 2011 (RM'000)
Revenue	56,169	42,260	34,097
Segment profit	4,822	5,097	4,154

Cumulative quarters	6 months ended 30 September 2012 (RM'000)	Corresponding 6 months ended 30 September 2011 (RM'000)	Financial year ended 31 March 2012 (RM'000)
Revenue	98,429	68,612	140,286
Segment profit	9,919	8,135	13,744

Manufacturing revenue for the current quarter increased as compared to the corresponding quarter ended 30 September 2011 mainly due to the continuing trend of strong demand in certain polyethylene engineering products. The segment profit margin in the current quarter has dropped as compared to the preceding quarter and the corresponding quarter in the previous financial year mainly due to the mix of the products and customers which yielded less favourable profit margin. Similar scenarios are observed when comparing the profit margin for the financial period ended 30 September 2012 to the one achieved for the corresponding cumulative quarter in the previous financial year.

(continued)

20. Review of performance (continued)

b) Works

Telecommunication towers, water and wastewater infrastructure

Current quarter	Current quarter ended 30 September 2012 (RM'000)	Preceding quarter ended 30 June 2012 (RM'000)	Corresponding quarter ended 30 September 2011 (RM'000)
Revenue	44,759	21,264	14,215
Segment profit/(loss)	5,585	(311)	(280)

Cumulative quarters	6 months ended 30 September 2012 (RM'000)	Corresponding 6 months ended 30 September 2011 (RM'000)	Financial year ended 31 March 2012 (RM'000)
Revenue	66,023	25,890	141,829
Segment profit	5,274	49	23,009

The above figures reflect the ebb and flow nature of the works segment. The segment revenue and profit increased as compared to the corresponding quarter and the cumulative quarter ended 30 September 2011 mainly due to more new projects were secured and increase in works carried out in the current financial period. The segment was loss making in the preceding quarter ended 30 June 2012 mainly due to the foreign exchange loss of RM0.8 million in respect of the Syria project, as well as expenses comprising site survey expenses incurred on potential construction sites which have been charged to the statement of comprehensive income.

c) Services

Current quarter	Current quarter ended 30 September 2012 (RM'000)	Preceding quarter ended 30 June 2012 (RM'000)	Corresponding quarter ended 30 September 2011 (RM'000)
Revenue	9,398	8,347	5,834
Segment profit/(loss)	511	697	(621)

Cumulative quarters	6 months ended 30 September 2012 (RM'000)	Corresponding 6 months ended 30 September 2011 (RM'000)	Financial year ended 31 March 2012 (RM'000)
Revenue	17,745	10,354	27,393
Segment profit/(loss)	1,208	(609)	(513)

In the current quarter, the segment revenue has increased due to higher contribution from sludge treatment services. However, the profit has decreased as compared to the preceding quarter mainly due to the higher costs incurred in the projects in the current quarter. Similar scenarios are observed in the comparison between 6-months cumulative quarter ended 30 September 2012 and 2011. In the corresponding quarter ended 30 September 2011, the segment was loss making due to operating expenses incurred in the new sludge treatment plant.

(continued)

20. Review of performance (continued)

d) Plantations

Current quarter	Current quarter ended 30 September 2012 (RM'000)	Preceding quarter ended 30 June 2012 (RM'000)	Corresponding quarter ended 30 September 2011 (RM'000)
Revenue	675	423	-
Segment loss	(1,480)	(1,623)	(1,289)

Cumulative quarters	6 months ended 30 September 2012 (RM'000)	Corresponding 6 months ended 30 September 2011 (RM'000)	Financial year ended 31 March 2012 (RM'000)
Revenue	1,098	-	174
Segment loss	(3,103)	(1,925)	(2,764)

The plantation segment started to generate revenue in October 2011 when a small area of the oil palm plantation attained maturity. The revenue in the current quarter is higher as compared to the preceding quarter mainly due to more areas of the oil palm plantation attaining maturity. 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 areas that have attained maturity.

21. Variation of results against preceding quarter

The revenue for the quarter ended 30 September 2012 amounting to RM111.0 million was higher by 53.5% as compared to RM72.3 million achieved in the preceding quarter. The profit before tax amounting to RM9.2 million for the current quarter was also higher as compared to the RM3.1 million achieved in the preceding quarter, mainly due to increasing contribution percentage from the works division.

22. 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 environmental 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 8).

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

(continued)

23. Revenue and profit forecast

Not applicable as no revenue and profit forecast was published.

24. Income tax expense

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 September 2012 RM'000	**30 September 2011 RM'000**	**30 September 2012 RM'000**	**30 September 2011 RM'000**
Current tax expense				
Malaysian - current year	3,802	1,066	6,177	2,965
- prior years	17	(9)	38	75
	3,819	1,057	6,215	3,040
Deferred tax income				
- current year	(1,026)	(632)	(2,564)	(1,595)
- prior years	-	-	-	-
	(1,026)	(632)	(2,564)	(1,595)
	2,793	425	3,651	1,445

The Group's effective tax rate for the current quarter and corresponding quarter in the previous financial year, current cumulative quarter and corresponding cumulative quarter in the previous financial year is higher than the prima facie tax rate mainly due to the higher non-deductible expenses incurred being more than the effect of reinvestment allowance utilised by a subsidiary.

25. Status of corporate proposals

Not applicable.

26. Utilisation of share proceeds

Not applicable.

27. Loans and borrowings

	30 September 2012 RM'000	**31 March 2012 RM'000**
Non-current		
Unsecured	64,319	32,646
Secured	55,412	49,703
	119,731	82,349
Current		
Unsecured	68,023	115,253
Secured	2,397	1,074
	70,420	116,327
Total	190,151	198,676

All borrowings are denominated in Ringgit Malaysia.

(continued)

28. Derivatives financial instruments

The outstanding forward foreign currency contracts as at the end of the quarter under review are as follows:

	Contract/Notional Value RM'000	Net Fair Value RM'000
Forward foreign currency contracts - less than 1 year	13,257	13,476

Derivative financial instruments entered into by the Group are similar to those disclosed in the consolidated annual financial statements as at and for the financial year ended 31 March 2012.

There is no changes to the Group's financial risk management policies and objectives and its related accounting policies.

29. Gains/Losses arising from fair value changes of financial liabilities

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

30. Material litigation

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

31. Auditor's report on preceding annual financial statements

The auditor's report on the audited annual financial statements for the financial year ended 31 March 2012 was not qualified.

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

(continued)

32. Profit for the period

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30 September 2012 RM'000	**30 September 2011 RM'000**	**30 September 2012 RM'000**	**30 September 2011 RM'000**
Profit for the period is arrived at after charging:				
Amortisation of intangible assets	1,006	998	2,012	2,017
Amortisation of oil palm plantation development expenditure	279	-	330	-
Amortisation of prepaid lease payments	30	30	60	60
Amortisation of goodwill	10	24	20	39
Property, plant and equipment written off	20	-	57	6
Depreciation of property, plant & equipment	2,304	1,983	4,822	4,420
Finance costs	1,347	1,110	2,793	2,598
Loss on foreign exchange	-	-	392	-
Loss on disposal of property, plant & equipment	-	40	-	-
Derivative loss on forward foreign currency contracts	219	-	219	-
and after crediting:				
Derivative gain on forward foreign currency contracts	-	36	-	35
Dividend income	21	23	21	23
Finance income	692	909	1,362	2,025
Gain on disposal of property, plant & equipment	51	-	131	78
Gain on disposal of other investments	-	-	-	120
Gain on foreign exchange	318	4	-	4
Reversal of allowance for impairment loss on receivables	21	-	25	-

There were no allowance for impairment losses of assets, allowance for impairment losses of receivables, allowance for impairment losses of inventories and exceptional items for the current quarter and current financial period-to-date.

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

(continued)

33. Dividend payable

A final dividend of 4.0 sen per ordinary shares less tax at 25% in respect of financial year ended 31 March 2012, approved at the Annual General Meeting held on 27 September 2012, was paid on 22 November 2012 to Depositors whose names appear in the Record of Depositors on 5 November 2012.

No dividend has been recommended or paid for the current financial quarter.

34. Earnings per ordinary share

(a) Basic earnings per ordinary share

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

	Individual Quarter 3 months ended		**Cumulative Quarter 6 months ended**	
	30 September 2012 RM'000	**30 September 2011 RM'000**	**30 September 2012 RM'000**	**30 September 2011 RM'000**
Profit for the period	6,400	1,130	8,594	3,464
Add: Amount attributable to non-controlling interests	(160)	(75)	(78)	160
Profit for the period attributable to owners of the Company	6,240	1,055	8,516	3,624
Weighted average number of ordinary shares in issue ('000)	126,895	126,895	126,895	126,895
Basic earnings per share (sen)	4.92	0.83	6.71	2.86

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 6). The weighted average number of ordinary shares in issue, net of treasury shares acquired, as at the quarter ended 30 September 2012 is 126,895,240 (31 March 2012: 126,895,299).

(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)

35. Breakdown of realised and unrealised profits or losses

The breakdown of the retained earnings of the Group into realised and unrealised profits or losses, pursuant to Paragraphs 2.06 to 2.23 of Bursa Malaysia Main Market Listing Requirements, is as follows:

	30 September 2012 RM'000	**31 March 2012 RM'000**
Total retained earnings of the Company and its subsidiaries:		
- Realised	157,642	151,517
- Unrealised	(485)	(1,035)
	157,157	150,482
The share of accumulated losses from associate	(2)	-
	157,155	150,482
Less: Consolidation adjustments	(3,320)	(1,481)
Total group retained earnings as per consolidated accounts	153,835	149,001

The determination of realised and unrealised profits or losses is based on Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

36. 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 29 November 2012.