WEIDA (M) BHD (Company No. 504747-W)
UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2013

Consolidated Statement of Financial Position
As at 30 June 2013

	Note	30 June 2013 RM'000	31 March 2013 (Restated) RM'000	1 April 2012 (Restated) RM'000
ASSETS				
Non-current assets				
Property, plant and equipment		81,550	81,467	162,688
Prepaid lease payments		3,051	3,078	3,185
Biological assets		-	-	293,458
Investment in an associate		482	396	-
Goodwill		647	657	739
Other intangible assets	17	73,209	77,080	92,688
Trade and other receivables	18	50,440	50,442	18,036
Other investments		1,421	1,375	1,452
Deferred tax assets		2,067	2,901	545
		212,867	217,396	572,791
Current assets				
Inventories		46,485	46,069	39,983
Property development costs		1,726	1,649	-
Trade and other receivables	18	120,499	110,288	166,331
Deposits and prepayments		4,956	6,733	12,869
Current tax recoverable		1,516	1,514	3,847
Derivative financial assets		298	136	7
Cash and bank balances		258,966	293,263	92,591
		434,446	459,652	315,628
Assets classified as held for sale	19	5,099	5,099	-
		439,545	464,751	315,628
Total assets		652,412	682,147	888,419

Consolidated Statement of Financial Position

As at 30 June 2013

	Note	30 June 2013 RM'000	31 March 2013 (Restated) RM'000	1 April 2012 (Restated) RM'000
(continued)				
EQUITY				
Equity attributable to owners of the Company				
Share capital		66,667	66,667	66,667
Reserves		291,245	281,098	229,704
Treasury shares		(4,599)	(4,599)	(4,599)
		353,313	343,166	291,772
Non-controlling interests		13,771	13,496	118,311
Total equity		367,084	356,662	410,083
LIABILITIES				
Non-current liabilities				
Loans and borrowings	29	104,963	129,539	155,582
Deferred tax liabilities		7,480	8,080	71,499
		112,443	137,619	227,081
Current liabilities				
Trade and other payables		101,728	112,809	107,654
Derivative financial liabilities		5	15	8
Loans and borrowings	29	67,595	69,151	141,327
Current tax payable		3,557	5,891	2,266
		172,885	187,866	251,255
Total liabilities		285,328	325,485	478,336
Total equity and liabilities		652,412	682,147	888,419
Net assets per ordinary share attributable to owners of the Company, net of treasury shares (RM)		2.78	2.70	2.30

The consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to this interim financial report.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the period ended 30 June 2013

	Note	Individual Quarter 3 months ended 30 June 2013 RM'000	Individual Quarter 3 months ended 30 June 2012 (Restated) RM'000	Cumulative Quarter 3 months ended 30 June 2013 RM'000	Cumulative Quarter 3 months ended 30 June 2012 (Restated) RM'000
Continuing operations					
Revenue	9	88,031	79,928	88,031	79,928
Operating profit		14,102	9,609	14,102	9,609
Interest expense		(2,380)	(2,790)	(2,380)	(2,790)
Interest income		2,274	827	2,274	827
Amortisation of goodwill		(10)	(10)	(10)	(10)
Share of results of equity accounted associate		(3)	(2)	(3)	(2)
Profit before taxation	9	13,983	7,634	13,983	7,634
Income tax expense	26	(3,826)	(2,527)	(3,826)	(2,527)
Profit from continuing operations		10,157	5,107	10,157	5,107
Discontinued operation					
Loss from discontinued operation, net of tax	8	-	(13,552)	-	(13,552)
Profit/(Loss) for the period		10,157	(8,445)	10,157	(8,445)
Other comprehensive income/(loss), net of tax					
Items that may be reclassified to profit or loss					
Fair value changes of available-for-sale financial assets		46	(60)	46	(60)
Foreign currency translation differences for foreign operations		219	(700)	219	(700)
Other comprehensive income/(loss) for the period, net of tax		265	(760)	265	(760)
Total comprehensive income/(loss) for the period, net of tax		10,422	(9,205)	10,422	(9,205)
Profit/(Loss) attributable to:					
Owners of the Company		9,915	(2,213)	9,915	(2,213)
Non-controlling interests		242	(6,232)	242	(6,232)
Profit/(Loss) for the period		10,157	(8,445)	10,157	(8,445)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		10,147	(3,439)	10,147	(3,439)
Non-controlling interests		275	(5,766)	275	(5,766)
Total comprehensive income/(loss) for the period		10,422	(9,205)	10,422	(9,205)
Basic/Diluted earnings per ordinary share (sen)					
From continuing operations	36	7.81	3.59	7.81	3.59
From discontinued operation	36	-	(5.33)	-	(5.33)
		7.81	(1.74)	7.81	(1.74)

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to this interim financial report.

Consolidated Statement of Changes in Equity

For the period ended 30 June 2013

		<-------------Attributable to owners of the Company							------------>	
		Issued and fully paid ordinary shares		**Non-Distributable**			**Distributable**			
	Note	**Number of shares '000**	**Share capital RM'000**	**Foreign exchange 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 2013										
- as previously stated		133,333	66,667	(1,126)	(228)	(4,599)	283,792	344,506	13,496	358,002
- effect of adoption of MFRS 10	2.1	-	-	-	-	-	(1,340)	(1,340)	-	(1,340)
At 1 April 2013 (Restated)		133,333	66,667	(1,126)	(228)	(4,599)	282,452	343,166	13,496	356,662
Foreign currency translation differences for foreign operations		-	-	*186*	-	-	-	*186*	*33*	*219*
Fair value changes of available-for-sale financial assets		-	-	-	*46*	-	-	*46*	-	*46*
Total other comprehensive income for the period		-	-	186	46	-	-	232	33	265
Profit for the period		-	-	-	-	-	9,915	9,915	242	10,157
Total comprehensive income for the period		-	-	186	46	-	9,915	10,147	275	10,422
Distributions to owners of the Company:										
- Own shares acquired	*6*	-	-	-	-	-	-	-	-	-
- Dividends to owners of the Company	*7*	-	-	-	-	-	-	-	-	-
Total distributions to owners of the Company		-	-	-	-	-	-	-	-	-
At 30 June 2013		133,333	66,667	(940)	(182)	(4,599)	292,367	353,313	13,771	367,084

Consolidated Statement of Changes in Equity

For the period ended 30 June 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	Foreign exchange 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										
- as previously stated		133,333	66,667	(474)	(126)	(4,599)	236,777	298,245	118,311	416,556
- effect of adoption of MFRS 10	2.1	-	-	-	-	-	(6,473)	(6,473)	-	(6,473)
At 1 April 2012 (Restated)		133,333	66,667	(474)	(126)	(4,599)	230,304	291,772	118,311	410,083
Foreign currency translation differences for foreign operations		-	-	*(1,166)*	-	-	-	*(1,166)*	*466*	*(700)*
Fair value changes of available-for-sale financial assets		-	-	-	*(60)*	-	-	*(60)*	-	*(60)*
Total other comprehensive (loss)/income the period		-	-	(1,166)	(60)	-	-	(1,226)	466	(760)
Loss for the period		-	-	-	-	-	(2,213)	(2,213)	(6,232)	(8,445)
Total comprehensive loss for the period		-	-	(1,166)	(60)	-	(2,213)	(3,439)	(5,766)	(9,205)
Distributions to owners of the Company:										
- Own shares acquired	*6*	-	-	-	-	-	-	-	-	-
- Dividends to owners of the Company	*7*	-	-	-	-	-	-	-	-	-
Total distributions to owners of the Company		-	-	-	-	-	-	-	-	-
At 30 June 2012 (Restated)		133,333	66,667	(1,640)	(186)	(4,599)	228,091	288,333	112,545	400,878

The consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to this interim financial report.

Consolidated Statement of Cash Flows

For the period ended 30 June 2013

	30 June 2013 RM'000	30 June 2012 (Restated) RM'000
Profit/(loss) after taxation for the period from:-		
- continuing operations	10,157	5,107
- discontinued operation	-	(13,552)
	10,157	(8,445)
Adjustments for:		
Amortisation of intangible assets	3,871	3,902
Amortisation of goodwill	10	10
Amortisation of prepaid lease payments	27	27
Depreciation of property, plant & equipment	2,266	2,430
Derivative gain on forward foreign currency contracts	(121)	(293)
Interest expense	2,380	2,959
Interest income	(2,274)	(827)
Unrealised loss on foreign exchange	358	993
Loss from changes in fair value of biological assets	-	17,097
Loss/(Gain) on disposal of property, plant and equipment	11	(80)
Property, plant & equipment written off	7	17
Income tax expense/(income)	3,826	(2,335)
Share of results of equity accounted associate	3	1
Operating profit before changes in working capital	20,521	15,456
Change in inventories	(416)	(6,230)
Change in property development costs	(77)	-
Change in trade and other receivables, including derivatives and deposits and prepayments	(8,390)	29,989
Change in trade and other payables, including derivatives	(10,731)	(18,310)
Cash generated from operations	907	20,905
Interest paid	(274)	(610)
Income tax paid	(5,928)	(1,262)
Net cash (used in)/from operating activities	(5,295)	19,033
Cash flows from investing activities		
Increase in investment in an existing associate	(89)	(400)
Decrease/(Increase) in cash and cash equivalents pledged with licensed banks	204	(84)
Acquisition of property, plant and equipment	(2,744)	(3,024)
Incurrence of expenditure on biological assets, net of depreciation and amortisation expenses capitalised	-	(2,803)
Proceeds from disposal of property, plant and equipment	104	448
Interest received	1,912	827
Net cash used in investing activities	(613)	(5,036)
Cash flows from financing activities		
Net repayments of Islamic bonds	(9,906)	(39,919)
Net (repayments)/proceeds from bankers' acceptances	(11,380)	1,216
Net (repayments)/proceeds from other loans and borrowings	(4,846)	53,787
Subtotal	(26,132)	15,084

Consolidated Statement of Cash Flows

For the period ended 30 June 2013

	30 June 2013 RM'000	30 June 2012 (Restated) RM'000
(continued)		
Cash flows from financing activities (continued)		
Subtotal (continued)	(26,132)	15,084
Interest paid	(2,104)	(2,314)
Net cash (used in)/from investing activities	(28,236)	12,770
Net (decrease)/increase in cash and cash equivalents	(34,144)	26,767
Effects of exchange rate fluctuations on cash held	51	(1,513)
Cash and cash equivalents at beginning of period	291,981	88,683
Cash and cash equivalents at end of period	257,888	113,937

Note

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

	30 June 2013 RM'000	30 June 2012 (Restated) RM'000
Deposits, bank and cash balances	258,966	116,857
Bank overdrafts	-	(48)
Less: Cash and cash equivalents pledged for banking facilities	(1,078)	(2,872)
Total cash and cash equivalents shown in statement of cash flows	257,888	113,937

The consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2013 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 Malaysian Financial Reporting Standard (''MFRS") 134/International Accounting Standard ("IAS") 34, *Interim Financial Reporting*.

The preparation of an interim financial statements in conformity with MFRS 134/IAS 34, *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 three months ended 30 June 2013 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 2013 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 MFRSs and International Financial Reporting Standards.

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 2013, 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**
MFRS 10, *Consolidated Financial Statements*	1 January 2013
MFRS 13, *Fair Value Measurement*	1 January 2013
MFRS 127, *Separate Financial Statements (2011)*	1 January 2013
MFRS 128, *Investments in Associates and Joint Ventures (2011)*	1 January 2013
Amendments to MFRS 7, *Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities*	1 January 2013
Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards – Government Loans*	1 January 2013
Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)*	1 January 2013
Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)*	1 January 2013
Amendments to MFRS 132, *Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)*	1 January 2013
Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)*	1 January 2013
Amendments to MFRS 10, *Consolidated Financial Statements: Transition Guidance*	1 January 2013

The effect of adoption are summarised as follows:

(i) MFRS 10, *Consolidated Financial Statements*

MFRS 10 introduces a new single control model to determine which investees should be consolidated. MFRS 10 supersedes MFRS 127, *Consolidated and Separate Financial Statements* and IC Interpretation 112, *Consolidation - Special Purpose Entities*.

Notes to the consolidated interim financial statements

(continued)

2. Significant accounting policies (continued)

2.1 Changes in accounting policies (continued)

The effect of adoption are summarised as follows: (continued)

(i) MFRS 10, *Consolidated Financial Statements* (continued)

There are three elements to the definition of control in MFRS 10: (i) power by investor over an investee, (ii) exposure, or rights, to variable returns from investor's involvement with the investee, and (iii) investor's ability to affect those returns through its power over the investee.

The Group has previously established a special purpose entity ("SPE") for raising bonds to finance the acquisition of trade receivables arising from the construction of telecommunication towers by a subsidiary for a network facility provider license holder. The Group does not have any direct or indirect shareholdings in this SPE. Nevertheless, the SPE has now been retrospectively consolidated as a subsidiary as the Group concludes that it controls the SPE based on an evaluation of the substance of the SPE's relationship with the Group and the SPE's risks and rewards. The SPE, being controlled by the Group, is established under terms that impose strict limitations on the decision making powers of the SPE's management and that result in the Group receiving the majority of risks and benefits related to the SPE's operations and net assets, being exposed to the majority of risks incidental to the SPE's activities and retaining the majority of the residual or ownership risks related to the SPE or its assets.

The effect of adopting MFRS 10 has the following effects:

Group	**Retained earnings**	
	2013 (Restated) RM'000	**2012 (Restated) RM'000**
At 31 March, as previously stated	283,792	236,777
Adjustments arising from adoption of MFRS 10	(1,340)	(6,473)
At 1 April (Restated)	282,452	230,304

	For the financial year ended 31 March 2013		**For the financial year ended 31 March 2012**	
	As restated DR/(CR) RM'000	**As previously stated DR/(CR) RM'000**	**As restated DR/(CR) RM'000**	**As previously stated DR/(CR) RM'000**
Statement of Financial Position				
Other intangible assets	77,080	38,832	92,688	42,856
Deferred tax assets	2,901	3,169	545	545
Trade & other receivables				
- current	120,499	109,795	166,331	165,637
Current tax recoverable	1,472	1,472	3,847	3,721
Cash and bank balances	293,263	266,270	92,591	54,982
Loans and borrowings				
- non-current	(129,539)	(75,969)	(155,582)	(82,349)
- current	(69,151)	(59,151)	(141,327)	(116,327)
Trade and other payables	(112,809)	(109,531)	(107,653)	(108,216)
Deferred tax liabilities	(8,080)	(8,080)	(71,499)	(74,511)
Current tax payable	(5,891)	(5,891)	(2,266)	(2,190)
Net assets per ordinary share attributable to owners of the Company, net of treasury shares (RM)	2.70	2.71	2.30	2.35

Notes to the consolidated interim financial statements

(continued)

2. Significant accounting policies (continued)

2.2 Changes in accounting policies (continued)

The effect of adoption are summarised as follows: (continued)

(i) MFRS 10, *Consolidated Financial Statements* (continued)

The effect of adopting MFRS 10 has the following effects: (continued)

	For the 3 months ended 30 June 2012	
	As restated DR/(CR) RM'000	**As previously stated DR/(CR) RM'000**
Statement of Profit or Loss and Other Comprehensive Income		
Revenue	79,928	71,871
Loss after taxation	(8,445)	(10,494)
Loss attributable to owners of the Company	(2,213)	(4,262)
Basic/Diluted earnings per ordinary share attributable to owners of the Company (sen)		
From continuing operations	3.59	1.97
From discontinued operation	(5.33)	(5.33)
	(1.74)	(3.36)

	For the 3 months ended 30 June 2012	
	As restated RM'000	**As previously stated RM'000**
Statement of Cash Flows		
Net cash from operating activities	19,033	11,588
Net cash used in investing activities	(5,036)	(5,331)
Net cash from financing activities	12,770	29,202
Net cash increase in cash and cash equivalent	26,767	35,459

(ii) MFRS 13, *Fair Value Measurement*

MFRS 13 establishes the principles for fair value measurement and replaces the existing guidance in different MFRSs.

(iii) Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)*

Amendments to MFRS 116 clarify that items such as spare parts, stand-by equipment and servicing equipment shall be recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. The adoption of Amendments to MFRS 116 does not have any material financial impact on the financial statements of the Group.

2.3 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 indicated therein:

Standard/Amendment/Interpretation	Effective date
Amendments to MFRS 10, *Consolidated Financial Statements: Investment Entities*	1 January 2014

Notes to the consolidated interim financial statements

(continued)

2. Significant accounting policies (continued)

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

Standard/Amendment/Interpretation	**Effective date**
Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Investment Entities*	1 January 2014
Amendments to MFRS 127, *Separate Financial Statements (2011): Investment Entities*	1 January 2014
Amendments to MFRS 132, *Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities*	1 January 2014
MFRS 9, *Financial Instruments* (2009)	1 January 2015
MFRS 9, *Financial Instruments* (2010)	1 January 2015
Amendments to MFRS 7, *Financial Instruments: Disclosures - Mandatory Effective Date of MFRS 9 and Transition Disclosures*	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.

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 June 2013.

5. Changes in estimates

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

6. Debt and equity securities

There were no issuance, cancellation, resale and repayment of equity securities in the current quarter under review except for the repurchase of 100 own shares as treasury shares at an average price of RM1.45 using internally generated funds.

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

	Individual Quarter 3 months ended 30 June 2013 RM'000	**Cumulative Quarter 3 months ended 30 June 2013 RM'000**
Opening balance	63,570	63,570
Accretion of bond value	94	94
Redemption	(10,000)	(10,000)
Closing balance (see Note 29)	53,664	53,664

7. Dividends paid

There was no dividend paid during the quarter under review.

Notes to the consolidated interim financial statements

(continued)

8. Discontinued operation

The Group completed the disposal of its entire oil palm plantation segment on 27 February 2013 following the fulfillment of the conditions precedent set out in the Share Sale Agreements entered into with the acquirer on 25 October 2012. The segment was not a discontinued operation or classified as held for sale as at 30 June 2012. The comparative condensed consolidated statement of profit or loss and other comprehensive income has been restated to show the discontinued operation separately from continuing operations, as if the oil palm plantation segment was a discontinued operation in the 3 months period ended 30 June 2012.

Results from discontinued operation

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2013 RM'000	**30 June 2012 RM'000**	**30 June 2013 RM'000**	**30 June 2012 RM'000**
Revenue	-	423	-	423
Expenses	-	(1,740)	-	(1,740)
Loss from changes in fair value of biological assets	-	(17,097)	-	(17,097)
Results from operating activities	-	(18,414)	-	(18,414)
Income tax income	-	4,862	-	4,862
Results from operating activities, net of tax	-	(13,552)	-	(13,552)

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2013 RM'000	**30 June 2012 RM'000**	**30 June 2013 RM'000**	**30 June 2012 RM'000**
The results from discontinued operation are arrived at after charging:				
Depreciation of property, plant and equipment	-	159	-	159
Interest expense	-	169	-	169
Loss from changes in fair value of biological assets	-	17,097	-	17,097

Cash flows generated from/(used in) discontinued operation	Cumulative Quarter 3 months ended	
	30 June 2013 RM'000	**30 June 2012 RM'000**
Net cash from operating activities	-	1,615
Net cash used in investing activities	-	(4,104)
Net cash from financing activities	-	1,897
Effect on cash flows	-	(592)

Notes to the consolidated interim financial statements

(continued)

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 three existing 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

Prospective segment - Property development

The Group expects to launch its maiden property development project in the third quarter of the current financial year.

Notes to the consolidated interim financial statements

(continued)

9. Segment information (continued)

	Continuing operations				
	Manufacturing	Works		Services	Consolidated
		Tele-communication towers	Water, wastewater treatment and other infrastructure		
For the 3 months ended 30 June 2013	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Segment revenue	54,164	16,773	12,048	5,046	88,031
Segment profit	7,123	6,052	690	499	14,364
Unallocated corporate expenses					(378)
Share of results of equity accounted associate					(3)
Profit before taxation					13,983
Tax expense					(3,826)
Profit from continuing operations/Profit for the period					10,157
For the 3 months ended 30 June 2012 (Restated)					
Segment revenue	42,260	9,849	19,472	8,347	79,928
Segment profit	5,345	2,059	309	730	8,443
Unallocated corporate expenses					(807)
Share of results of equity accounted associate					(2)
Profit before taxation					7,634
Tax expense					(2,527)
Profit from continuing operations					5,107
Loss from discontinued operation					(13,552)
Loss for the period					(8,445)

	Cumulative Quarter 3 months ended	
	30 June 2013	**30 June 2012**
	RM'000	**RM'000**
Revenue from external customers - continuing operations		
Malaysia	86,847	78,209
Middle East	-	184
Other countries	1,184	1,535
	88,031	79,928

Notes to the consolidated interim financial statements

(continued)

10. Property, plant and equipment and prepaid lease payments

Acquisitions and disposals

During the three months ended 30 June 2013, the Group acquired items of property, plant and equipment costing RM2,744,000 (three months ended 30 June 2012: RM3,548,000), of which none (three months ended 30 June 2012: RM524,000) was in the form of finance lease assets.

During the three months ended 30 June 2013, the Group disposed off items of property, plant and equipment with a carrying amount of RM108,000 (three months ended 30 June 2012: RM368,000), resulting in a net loss on disposal of RM11,000 (three months ended 30 June 2012: gain of RM80,000).

11. Subsequent events

There were no material events subsequent to the end of the quarter under review.

12. Changes in composition of the Group

There were no changes in the composition of the Group during the quarter under review.

13. Changes in contingent liabilities

As at 30 June 2013, the Group has, in the ordinary course of business, provided bank guarantees of RM13,061,000 to third parties in the capacity of the Group as the sub-contractors of, or suppliers to, projects.

As at 24 August 2013, the Group has, in the ordinary course of business, provided bank guarantees of RM13,061,000 to third parties in the capacity of the Group as the sub-contractors of, or suppliers to, projects.

14. Capital commitments

	30 June 2013 RM'000	**31 March 2013 RM'000**
Property, plant and equipment		
Authorised but not contracted for	19,901	21,891
Contracted but not provided for	401	1,395
	20,302	23,286

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 3 months ended**	
	30 June 2013 RM'000	**30 June 2012 RM'000**	**30 June 2013 RM'000**	**30 June 2012 RM'000**
<u>Nature of transaction</u>				
Rental of premises	65	65	65	65

(continued)

15. Material related party transactions (continued)

b) Transaction with a Director

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2013 RM'000	**30 June 2012 RM'000**	**30 June 2013 RM'000**	**30 June 2012 RM'000**
Nature of transaction				
Rental of premises	9	9	9	9

16. Compensations to key management personnel

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

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2013 RM'000	**30 June 2012 RM'000**	**30 June 2013 RM'000**	**30 June 2012 RM'000**
Directors of the Company	300	379	300	379
Directors of subsidiaries and other key management personnel	743	1,325	743	1,325
	1,043	1,704	1,043	1,704

17. 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 arose 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 based on pre-determined ratios for a period of ten years commencing from the month when the rental proceeds were first received.

18. Trade and other receivables

(i) Included in the non-current balance of other receivables is an amount due from a former associate of the Group amounting to RM4.5 million (31.3.2013: RM6.1 million; 1.4.2012: RM18.0 million) which is secured by a first fixed and floating charges over the former associate's assets and bears fixed interest at 6.00% (31.3.2013 and 1.4.2012: 6.00%) per annum. The amount is repayable in full by December 2017.

Notes to the consolidated interim financial statements

(continued)

18. Trade and other receivables (continued)

(ii) Included in both non-current and current balances of trade receivables is an amount due from a contract customer relating to construction of waste treatment specialised systems amounting to RM27.9 million (31.3.2013: RM4.6 million and 1.4.2013: Nil), which is unsecured and interest free.

(iii) The Group through its subsidiary, Loyal Paragon Sdn. Bhd. ("LPSB"), had entered into a joint venture agreement with a company ("the Land Owner") on 20 December 2011 to develop a parcel of leasehold land into residential properties (the project is hereinafter referred to as "the Development" and the land, as "the Project Land").

The Land Owner had entered into a Sale and Purchase Agreement ("Principal SPA") to purchase the Project Land from another company ("the Vendor").

Through the joint venture agreement, the Land Owner shall contribute the Project Land for the Development and LPSB shall carry out preparatory works for the Development, applying for approvals, sales and marketing, undertake construction and development works and complete the Development in accordance with the plans approved by the appropriate authorities and shall also undertake the entire project management, financial and sales administration of the Development.

LPSB shall be responsible to secure all financing and loan facilities required for the entire costs and expenses of the Development, including the acquisition of the Project Land.

In the joint venture agreement, the Land Owner shall be entitled to 25% of the gross development value of the Development or a minimum entitlement of RM30 million whichever is higher ("Land Owner's entitlement"). Subsequent to the quarter ended 30 June 2013, LPSB and the Land Owner signed a supplementary letter which modifies the Land Owner's entitlement to 15% of the gross development value of the Development or a minimum entitlement of RM30 million, whichever is higher.

Subject to the provisions in the joint venture agreement, LPSB shall complete the Development on the Project Land within five (5) years from the legal completion of the Principal SPA between the Vendor and the Land Owner.

The Land Owner's entitlement less payments made on its behalf by LPSB shall be satisfied by way of allotment of completed building units. LPSB is granted the absolute right to market and sell the allotted units on behalf of the Land Owner.

Pursuant to the joint venture agreement, a payment of RM24.6 million was made on behalf of the Land Owner by LPSB for the acquisition of the Project Land and related land expenses, which is part financed by an unsecured term loan obtained by LPSB from a licensed bank bearing a floating interest at 5.29% per annum. All such payments shall be deducted from the Land Owner's entitlement from the Development.

The development order for the Development has been issued by the relevant authority to LPSB in May 2013.

(iv) The Group through its subsidiary, Good Axis Sdn. Bhd. ("GASB") had also entered into a joint venture agreement with a third party on 30 January 2013 to develop a piece of freehold agriculture land (hereinafter referred to as "the Land") into residential properties.

Pursuant to the joint venture agreement, an amount of RM9.0 million has been made on behalf of the third party by GASB for the acquisition of the Land and related land expenses.

This payment on behalf shall be deducted from the third party's entitlement from the development.

Notes to the consolidated interim financial statements

(continued)

18. Trade and other receivables (continued)

(v) Included in current trade receivables is a gross retention sum receivables of RM2.8 million (31.3.2013: RM2.7 million, 1.4.2012: RM30.3 million) from the Government of Syrian Arab Republic in respect of sewerage and water treatment plants constructed by a subsidiary.

As the subsidiary has managed to recover its retention sums substantially in the previous financial year, no impairment loss need be made for the remaining receivables as at 30 June 2013 despite the continuing political unrest in Syrian Arab Republic, after taking into consideration the advance payments of RM4.0 million received from and other amounts payable to the Government of Syrian Arab Republic. Nonetheless, the recoverability of the retention sums will continue to be reassessed in future based on the information then available.

19. Assets classified as held for sale

Assets classified as held for sale of the Group comprise certain property, plant and equipment. Efforts to sell the assets have commenced and a sale is expected to be completed during the current financial year.

	30 June 2013	**31 March 2013**
	RM'000	**RM'000**
Property, plant and equipment		
Cost	5,484	5,484
Accumulated depreciation	(385)	(385)
Carrying amount	5,099	5,099

20. Financial risk management

The Group's financial risk management objectives and policies and risk profile are consistent with those disclosed in the consolidated financial statements as at and for the financial year ended 31 March 2013.

21. Fair value hierarchy

In the 3 months ended 30 June 2013, 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.

22. Review of performance

The revenue from continuing operations for the financial period ended 30 June 2013 amounting to RM88.0 million is 10.1% higher as compared to the RM79.9 million achieved in the corresponding quarter in the previous financial year mainly due to higher revenue contribution from the manufacturing and telecommunication towers segments. The profit before tax from continuing operations amounting to RM14.0 million for the financial year ended 30 June 2013 is also higher as compared to the RM7.6 million achieved for the last corresponding quarter in the previous financial year mainly due to more contribution from the manufacturing and telecommunication towers segments in the current quarter. Furthermore, there was an unrealised foreign exchange loss of RM0.8 million in respect of Syria project, which contributed to the lower profit in the corresponding quarter of the previous financial year.

The loss from the discontinued operation in the corresponding quarter of the previous financial year was mainly due to the loss from changes in fair value of the biological assets.

No comparison on the cumulative results is presented as this is the first quarter of the financial year under review.

Performance of each operating segment (before accounting for unallocated corporate expenses) is discussed in the ensuing pages.

(continued)

22. Review of performance (continued)

a) Manufacturing

Current quarter	Current quarter ended 30 June 2013 (RM'000)	Preceding quarter ended 31 March 2013 (Restated) (RM'000)	Corresponding quarter ended 30 June 2012 (Restated) (RM'000)
Revenue	54,164	42,477	42,260
Segment profit	7,123	2,837	5,345

Cumulative quarters	Cumulative quarter ended 30 June 2013 (RM'000)	Financial year ended 31 March 2013 (Restated) (RM'000)
Revenue	54,164	196,821
Segment profit	7,123	22,971

Manufacturing revenue and the segment profit for the current quarter increased as compared to the corresponding quarter ended 30 June 2012 mainly due to the continuing trend of strong demand in certain polyethylene engineering products.

The segment profit and segment margin for the current quarter increased as compared to the preceding quarter ended 31 March 2013 mainly due to the mix of the products and customers which yielded more favourable profit margin and lower production costs arising from economies of scale in the current quarter. In addition, there was a total allowance for impairment loss on receivables and property, plant and equipment of RM2.7 million in the preceding quarter ended 31 March 2013.

b) Works

Telecommunication towers, water, wastewater treatment and other infrastructure

Current quarter	Current quarter ended 30 June 2013 (RM'000)	Preceding quarter ended 31 March 2013 (Restated) (RM'000)	Corresponding quarter ended 30 June 2012 (Restated) (RM'000)
Revenue	28,821	58,307	29,321
Segment profit	6,742	3,841	2,368

Cumulative quarters	Cumulative quarter ended 30 June 2013 (RM'000)	Financial year ended 31 March 2013 (Restated) (RM'000)
Revenue	28,821	184,716
Segment profit	6,742	16,569

(continued)

22. Review of performance (continued)

b) Works (continued)

Telecommunication towers, water, wastewater treatment and other infrastructure (continued)

The above figures reflect the ebb and flow nature of the works segment. The segment generated a lower profit in the corresponding quarter ended 30 June 2012 due to timing differences between expenses incurred and revenue recognition in respect of the current telecommunication tower project in hand in the corresponding quarter ended 30 June 2012.

The segment revenue for the financial period ended 30 June 2013 is lower than the preceding quarter ended 31 March 2013 due to lower contribution from the water and wastewater treatment and other infrastructure division and also from the tower division. However, the segment profit for the financial period ended 30 June 2013 is higher due to more contribution from the telecommunication towers project in the current quarter. Furthermore there was an unrealised foreign exchange loss of RM1.1 million which contributed to the lower segment profit in the preceding quarter ended 31 March 2013.

c) Services

Current quarter	Current quarter ended 30 June 2013 (RM'000)	Preceding quarter ended 31 March 2013 (Restated) (RM'000)	Corresponding quarter ended 30 June 2012 (Restated) (RM'000)
Revenue	5,046	4,706	8,347
Segment profit/(loss)	499	(194)	730

Cumulative quarters	Cumulative quarter ended 30 June 2013 (RM'000)	Financial year ended 31 March 2013 (Restated) (RM'000)
Revenue	5,046	27,922
Segment profit	499	1,180

In the current and preceding quarter, the segment revenue and segment profit has decreased as compared to the corresponding quarter ended 30 June 2012 mainly due to lower contribution from progress completion projects which are almost completed.

23. Variation of results against preceding quarter

The revenue for the quarter ended 30 June 2013 amounting to RM88.0 million was lower by 18.1% as compared to RM107.5 million achieved in the preceding quarter due to less contribution from telecommunication towers segment in the current quarter. However, the profit before tax from continuing operations amounting to RM14.0 million for the current quarter is higher as compared to the RM4.0 million achieved in the preceding quarter, mainly due to the following factors which affected the profit before tax in the preceding quarter:

(a) higher construction costs in the works segment;
(b) an impairment loss on receivables of RM2.2 million; and
(c) an impairment loss on property, plant and equipment amounting to RM0.5 million.

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

(continued)

24. Prospects for the financial year ending 31 March 2014

The areas of focus of the Tenth Malaysia Plan (10th 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 2014 on the strength of the diversified base of the Group (see Note 9).

25. Revenue and profit forecast

Not applicable as no revenue and profit forecast was published.

26. Income tax expense

	Individual Quarter 3 months ended		**Cumulative Quarter 3 months ended**	
	30 June 2013 RM'000	**30 June 2012 (Restated) RM'000**	**30 June 2013 RM'000**	**30 June 2012 (Restated) RM'000**
Current tax expense				
Malaysian - current year	3,592	3,340	3,592	3,340
- prior years	-	21	-	21
	3,592	3,361	3,592	3,361
Deferred tax income				
- current year	234	(834)	234	(834)
- prior years	-	-	-	-
	234	(834)	234	(834)
Tax expense from continuing operations	3,826	2,527	3,826	2,527
Discontinued operation:				
- current tax expense	-	21	-	21
- deferred tax income	-	(4,883)	-	(4,883)
	3,826	(2,335)	3,826	(2,335)

The Group's effective tax rate of the continuing operations for the current quarter and the corresponding quarter in the previous financial year is higher than the prima facie tax rate due to non-deductible expenses and the unrecognised deferred tax asset from a loss making foreign operation.

27. Status of corporate proposals

Not applicable.

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

(continued)

28. Utilisation of share proceeds

Not applicable.

29. Loans and borrowings

	30 June 2013 RM'000	31 March 2013 (Restated) RM'000
Non-current		
Unsecured	102,579	126,953
Secured	2,384	2,586
	104,963	129,539
Current		
Unsecured	46,389	67,770
Secured	21,206	1,381
	67,595	69,151
Total	172,558	198,690

The non-current and current unsecured loans and borrowings include debt securities (corporate bonds) amounting to RM53.7 million (see Note 6).

All borrowings are denominated in Ringgit Malaysia.

30. 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	8,030	8,246

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 2013.

31. 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.

32. Material litigation

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

33. 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 2013 (without restatement on the impact of MFRS 10 adoption) in their report dated 31 July 2013.

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

(continued)

34. Profit for the financial period

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2013	30 June 2012 (Restated)	30 June 2013	30 June 2012 (Restated)
	RM'000	RM'000	RM'000	RM'000
Profit from continuing operations is arrived at after charging:				
Amortisation of intangible assets	3,871	3,902	3,871	3,902
Amortisation of prepaid lease payments	27	27	27	27
Amortisation of goodwill	10	10	10	10
Property, plant and equipment written off	14	17	14	17
Depreciation of property, plant & equipment	2,266	2,271	2,266	2,271
Interest expense	2,380	2,790	2,380	2,790
Loss on disposal of property, plant & equipment	11	-	11	-
Unrealised loss on foreign exchange	358	993	358	993
and after crediting:				
Derivative gain on forward foreign currency contracts	121	293	121	293
Interest income	2,274	827	2,274	827
Gain on disposal of property, plant & equipment	-	80	-	80

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

35. Dividend payable

A first and final dividend of 4.0 sen per ordinary share less tax at 25% and a special dividend of 1.50 sen per ordinary share less tax at 25%, both in respect of the financial year ended 31 March 2013, if approved at the forthcoming Annual General Meeting, will be payable on 22 November 2013 to Depositors whose names appear in the Record of Depositors on 6 November 2013.

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

(continued)

36. 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 3 months ended**	
	30 June 2013 RM'000	**30 June 2012 (Restated) RM'000**	**30 June 2013 RM'000**	**30 June 2012 (Restated) RM'000**
Profit/(Loss) for the period	10,157	(8,445)	10,157	(8,445)
(Less)/Add: Amount attributable to non-controlling interests	(242)	6,232	(242)	6,232
Profit/(Loss) for the period attributable to owners of the Company	9,915	(2,213)	9,915	(2,213)
Weighted average number of ordinary shares in issue ('000)	126,895	126,895	126,895	126,895
Basic earnings/(loss) per ordinary share (sen)				
From continuing operations	7.81	3.59	7.81	3.59
From discontinued operation	-	(5.33)	-	(5.33)
	7.81	(1.74)	7.81	(1.74)

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 June 2013 is 126,894,940 (31 March 2013: 126,895,099).

(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)

37. 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 June 2013 RM'000	**31 March 2013 (Restated) RM'000**
Total retained earnings of the Company and its subsidiaries:		
- Realised	305,554	303,934
- Unrealised	10,774	5,819
	316,328	309,753
Share of accumulated losses from associate		
- Realised	(7)	(4)
	316,321	309,749
Less: Consolidation adjustments	(23,954)	(27,297)
Total group retained earnings as per statement of changes in equity	292,367	282,452

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.

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 August 2013.