

**WEIDA (M) BHD (Company No. 504747-W)**  
**UNAUDITED INTERIM FINANCIAL REPORT**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2014**

## Consolidated Statement of Financial Position

As at 30 June 2014

	Note	30 June 2014 RM'000	31 March 2014 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		86,324	88,115
Prepaid lease payments		3,260	3,289
Investment in an associate		459	474
Goodwill		605	615
Other intangible assets	16	39,235	42,713
Trade and other receivables	17	5,273	15,017
Other investments		326	326
Deferred tax assets		5,600	5,103
		141,082	155,652
<b>Current assets</b>			
Inventories		47,130	52,149
Property development costs		73,802	72,203
Trade and other receivables	17	93,882	95,975
Deposits and prepayments		3,323	3,795
Current tax recoverable		1,858	2,117
Cash and bank balances		241,096	245,334
		461,091	471,573
<b>Total assets</b>		602,173	627,225

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## Consolidated Statement of Financial Position

As at 30 June 2014

	Note	30 June 2014 RM'000	31 March 2014 RM'000
(continued)			
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		66,667	66,667
Reserves		292,192	288,419
Treasury shares		(4,599)	(4,599)
		354,260	350,487
<b>Non-controlling interests</b>		8,094	7,504
<b>Total equity</b>		362,354	357,991
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	28	72,822	68,274
Deferred tax liabilities		8,285	8,443
		81,107	76,717
<b>Current liabilities</b>			
Trade and other payables		97,625	104,280
Derivative financial liabilities		16	57
Loans and borrowings	28	60,387	87,200
Current tax payable		684	980
		158,712	192,517
<b>Total liabilities</b>		239,819	269,234
<b>Total equity and liabilities</b>		602,173	627,225
Net assets per ordinary share attributable to owners of the Company, net of treasury shares (RM)		2.79	2.76

The consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2014 and the accompanying explanatory notes attached to this interim financial report.

**WEIDA (M) BHD (Company No. 504747-W)****UNAUDITED INTERIM FINANCIAL REPORT****FOR THE FIRST QUARTER ENDED 30 JUNE 2014****Consolidated Statement of Profit or Loss and Other Comprehensive Income**

For the period ended 30 June 2014

		<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
		<b>3 months ended</b>		<b>3 months ended</b>	
	<b>Note</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
		<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>	8	69,200	88,031	69,200	88,031
<b>Operating profit</b>		5,456	14,244	5,456	14,244
Interest expense		(1,651)	(1,955)	(1,651)	(1,955)
Interest income		2,267	2,274	2,267	2,274
Amortisation of goodwill		(10)	(10)	(10)	(10)
Goodwill written off		(15)	-	(15)	-
Gain on disposal of other investments		62	-	62	-
Share of results of equity accounted associate		(15)	(3)	(15)	(3)
<b>Profit before taxation</b>	8	6,094	14,550	6,094	14,550
Income tax expense	25	(1,744)	(3,825)	(1,744)	(3,825)
<b>Profit after taxation</b>		4,350	10,725	4,350	10,725
<b>Other comprehensive income/(loss), net of tax</b>					
<b>Items that may be reclassified to profit or loss</b>					
Fair value changes of available-for-sale financial assets		-	46	-	46
Foreign exchange translation differences for foreign operations		(78)	219	(78)	219
<b>Other comprehensive income/(loss) for the period, net of tax</b>		(78)	265	(78)	265
<b>Total comprehensive income for the period, net of tax</b>		4,272	10,990	4,272	10,990
<b>Profit attributable to:</b>					
Owners of the Company		3,828	10,483	3,828	10,483
Non-controlling interests		522	242	522	242
<b>Profit for the period</b>		4,350	10,725	4,350	10,725
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		3,773	10,715	3,773	10,715
Non-controlling interests		499	275	499	275
<b>Total comprehensive income for the period</b>		4,272	10,990	4,272	10,990
<b>Basic/Diluted earnings per ordinary share (sen)</b>	35	3.02	8.26	3.02	8.26

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 2014 and the accompanying explanatory notes attached to this interim financial report.

**WEIDA (M) BHD (Company No. 504747-W)**
**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2014**
**Consolidated Statement of Changes in Equity**

For the period ended 30 June 2014

-----Attributable to owners of the Company ----->											
Note	Issued and fully paid ordinary shares		Non-Distributable				Distributable		Sub-total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Number of shares '000	Share capital RM'000	Revaluation reserve RM'000	Foreign exchange translation reserve RM'000	Fair value reserve RM'000	Treasury shares RM'000	Retained earnings RM'000				
At 1 April 2014	133,333	66,667	9,724	(1,273)	5	(4,599)	279,963	350,487	7,504	357,991	
Realisation of revaluation reserve	-	-	(62)	-	-	-	62	-	-	-	
<i>Foreign exchange translation differences for foreign operations</i>	-	-	-	(55)	-	-	-	(55)	(23)	(78)	
<i>Fair value changes of available-for-sale financial assets</i>	-	-	-	-	-	-	-	-	-	-	
Total other comprehensive income for the period	-	-	-	(55)	-	-	-	(55)	(23)	(78)	
Profit for the period	-	-	-	-	-	-	3,828	3,828	522	4,350	
Total comprehensive income for the period	-	-	-	(55)	-	-	3,828	3,773	499	4,272	
<i>Distributions to owners of the Company:</i>											
- Own shares acquired	6	-	-	-	-	-	-	-	-	-	
- Dividends to owners of the Company	7	-	-	-	-	-	-	-	-	-	
Total transactions to owners of the Company	-	-	-	-	-	-	-	-	-	-	
Acquisition of a subsidiary	11	-	-	-	-	-	-	-	(7)	(7)	
Issue of share capital	-	-	-	-	-	-	-	-	98	98	
At 30 June 2014	133,333	66,667	9,662	(1,328)	5	(4,599)	283,853	354,260	8,094	362,354	

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**Consolidated Statement of Changes in Equity**

For the period ended 30 June 2013

-----Attributable to owners of the Company ----->										
Note	Issued and fully paid ordinary shares		Revaluation reserve RM'000	Non-Distributable		Distributable		Sub-total RM'000	Non- controlling interests RM'000	Total equity RM'000
	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			
At 1 April 2013	133,333	66,667	9,983	(1,521)	(228)	(4,599)	262,795	333,097	13,496	346,593
Realisation of revaluation reserve	-	-	(62)	-	-	-	62	-	-	-
<i>Foreign exchange translation differences for foreign operations</i>	-	-	-	186	-	-	-	186	33	219
<i>Fair value changes of available-for-sale financial assets</i>	-	-	-	-	46	-	-	46	-	46
Total other comprehensive income for the period	-	-	-	186	46	-	-	232	33	265
Profit for the period	-	-	-	-	-	-	10,483	10,483	242	10,725
Total comprehensive income for the period	-	-	-	186	46	-	10,483	10,715	275	10,990
<i>Distributions to owners of the Company:</i>										
- Own shares acquired	6	-	-	-	-	-	-	-	-	-
- Dividends to owners of the Company	7	-	-	-	-	-	-	-	-	-
Total transactions to owners of the Company	-	-	-	-	-	-	-	-	-	-
At 30 June 2013	133,333	66,667	9,921	(1,335)	(182)	(4,599)	273,340	343,812	13,771	357,583

The consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2014 and the accompanying explanatory notes attached to this interim financial report.

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**FOR THE FIRST QUARTER ENDED 30 JUNE 2014**

## Consolidated Statement of Cash Flows

For the period ended 30 June 2014

	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>
Profit after taxation for the period	4,350	10,725
Adjustments for:		
Amortisation of intangible assets	3,478	3,871
Amortisation of goodwill	10	10
Amortisation of prepaid lease payments	29	30
Depreciation of property, plant & equipment	2,232	2,266
Derivative loss/(gain) on forward foreign currency contracts	16	(121)
Interest expense	1,651	1,955
Interest income	(2,267)	(2,274)
Unrealised (gain)/loss on foreign exchange	(176)	358
(Gain)/Loss on disposal of property, plant and equipment	(118)	1
Gain on disposal of other investment	(62)	-
Goodwill written off	15	-
Property, plant & equipment written off	62	17
Income tax expense	1,744	3,825
Share of results of equity accounted associate	15	3
Operating profit before changes in working capital	10,979	20,666
Change in inventories	5,019	(416)
Change in property development costs	(1,599)	(76)
Change in trade and other receivables, including derivatives and deposits and prepayments	12,417	(7,966)
Change in trade and other payables, including derivatives	(6,641)	(11,301)
Cash generated from operations	20,175	907
Interest paid	(273)	(274)
Income tax paid	(2,435)	(5,928)
<b>Net cash from/(used in) operating activities</b>	<b>17,467</b>	<b>(5,295)</b>
<b>Cash flows from investing activities</b>		
Increase in investment in an existing associate	-	(89)
Decrease in cash and cash equivalents pledged with licensed banks	-	204
Acquisition of property, plant and equipment	(544)	(2,744)
Proceeds from disposal of other investment	62	-
Proceeds from disposal of property, plant and equipment	154	104
Interest received	2,080	1,912
<b>Net cash from/(used in) investing activities</b>	<b>1,752</b>	<b>(613)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares to non-controlling interests	98	-
Net repayments of Islamic bonds	(23,959)	(9,906)
Net repayments of bankers' acceptances	(6,737)	(11,380)
Net proceeds/(repayments) from other loans and borrowings	8,338	(4,846)
Interest paid	(1,268)	(2,104)
<b>Net cash used in financing activities</b>	<b>(23,528)</b>	<b>(28,236)</b>

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## Consolidated Statement of Cash Flows

For the period ended 30 June 2014

	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>
(continued)		
Net decrease in cash and cash equivalents	(4,309)	(34,144)
Effects of exchange rate fluctuations on cash held	71	51
Cash and cash equivalents at beginning of period	<u>244,516</u>	<u>291,981</u>
Cash and cash equivalents at end of period	<u><u>240,278</u></u>	<u><u>257,888</u></u>

### Note

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

Deposits, bank and cash balances	241,096	258,966
Less: Cash and cash equivalents pledged for banking facilities	<u>(818)</u>	<u>(1,078)</u>
<b>Total cash and cash equivalents shown in statement of cash flows</b>	<u><u>240,278</u></u>	<u><u>257,888</u></u>

The consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2014 and the accompanying explanatory notes attached to this interim financial report.

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## 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*.

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 financial period ended 30 June 2014 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in an 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 2014 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 FRSSs.

### 2. Significant accounting policies

#### 2.1 Changes in accounting policies

The financial statements of the Group have been prepared in accordance with Financial Reporting Standards (“FRSS”) and the requirement of the Companies Act, 1965 in Malaysia.

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 2014, 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:

<b>Standard/Amendment/Interpretation</b>	<b>Effective date</b>
Amendments to FRS 10, <i>Consolidated Financial Statements: Investment Entities</i>	1 January 2014
Amendments to FRS 12, <i>Disclosure of Interests in Other Entities: Investment Entities</i>	1 January 2014
Amendments to FRS 127, <i>Separate Financial Statements (2011): Investment Entities</i>	1 January 2014
Amendments to FRS 132, <i>Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
Amendments to FRS 136, <i>Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets</i>	1 January 2014
Amendments to FRS 139, <i>Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting</i>	1 January 2014

#### 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 Malaysian Accounting Standards Board (“MASB”) but are not yet effective nor early adopted by the Group:

<b>Standard/Amendment/Interpretation</b>	<b>Effective date</b>
Amendments to FRS 2, <i>Share-based Payment (Annual Improvements 2010-2012 Cycle)</i>	1 July 2014
Amendments to FRS 3, <i>Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)</i>	1 July 2014
Amendments to FRS 8, <i>Operating Segments (Annual Improvements 2010-2012 Cycle)</i>	1 July 2014



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## Notes to the consolidated interim financial statements

(continued)

**2. Significant accounting policies** (continued)

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

<b>Standard/Amendment/Interpretation</b>	<b>Effective date</b>
Amendments to FRS 13, <i>Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)</i>	1 July 2014
Amendments to FRS 116, <i>Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)</i>	1 July 2014
Amendments to FRS 119, <i>Employee Benefits – Defined Benefit Plans: Employee Contributions</i>	1 July 2014
Amendments to FRS 124, <i>Related Parties Disclosures (Annual Improvements 2010-2012 Cycle)</i>	1 July 2014
Amendments to FRS 138, <i>Intangible Assets (Annual Improvements 2010-2012 Cycle)</i>	1 July 2014
Amendments to FRS 140, <i>Investment Property (Annual Improvements 2011-2013 Cycle)</i>	1 July 2014
FRS 14, <i>Regulatory Deferral Accounts</i>	1 January 2016
Amendments to FRS 116 and FRS 138, <i>Clarification of Acceptance Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to FRS 11, <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
FRS 9, <i>Financial Instruments (2009)</i>	To be confirmed
FRS 9, <i>Financial Instruments (2010)</i>	To be confirmed
FRS 9, <i>Financial Instruments – Hedge Accounting and Amendments to FRS 9, FRS 7 and FRS 139</i>	To be confirmed
Amendments to FRS 7, <i>Financial Instruments: Disclosures - Mandatory Effective Date of FRS 9 and Transition Disclosures</i>	To be confirmed

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 2014.

**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 cumulative and current quarter under review except for the repurchase of 100 own shares as treasury shares at an average price of RM1.63 using internally generated funds.

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## Notes to the consolidated interim financial statements

(continued)

### 6. Debt and equity securities (continued)

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

	<b>Individual Quarter 3 months ended 30 June 2014 RM'000</b>	<b>Cumulative Quarter 3 months ended 30 June 2014 RM'000</b>
Opening balance	28,959	28,959
Accretion of bond value	107	107
Redemption	(24,066)	(24,066)
Closing balance (see Note 28)	5,000	5,000

### 7. Dividends paid

There was no dividend paid during the quarter under review.

### 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 Group has four reportable major segments which are detailed as 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) Property development - Development and construction of residential properties
- (d) Others - Sewage treatment services, treatment and disposal of sludge services as well as underground mapping of buried utilities, closed circuit television survey, investigation and rehabilitation of underground sewer and pipeline networks and storm water culverts and quarry operation

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**Notes to the consolidated interim financial statements**

(continued)

**8. Segment information** (continued)

	Manufacturing	-----Works-----		Property development	Others	Consolidated
		Tele- communication towers	Water, wastewater treatment and other infrastructure			
<b>For the 3 months ended 30 June 2014</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Segment revenue	50,162	7,656	1,292	5,660	4,430	69,200
Segment profit/(loss)	4,752	1,702	70	(974)	937	6,487
Unallocated corporate expenses						(378)
Share of results of equity accounted associate						(15)
Profit before taxation						6,094
Tax expense						(1,744)
Profit for the period						4,350
<b>For the 3 months ended 30 June 2013</b>						
Segment revenue	51,299	16,772	14,914	-	5,046	88,031
Segment profit	7,505	6,597	1,025	(692)	496	14,931
Unallocated corporate expenses						(378)
Share of results of equity accounted associate						(3)
Profit before taxation						14,550
Tax expense						(3,825)
Profit for the period						10,725

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**Notes to the consolidated interim financial statements**

(continued)

**8. Segment information** (continued)

	<b>Cumulative Quarter 3 months ended</b>	
	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>
Revenue from external customers		
Malaysia	67,908	86,847
Other countries	1,292	1,184
	69,200	88,031

**9. Property, plant and equipment and prepaid lease payments**

During the three months ended 30 June 2014, the Group acquired items of property, plant and equipment costing RM637,000 (three months ended 30 June 2013: RM2,744,000), of which RM93,000 (three months ended 30 June 2013: Nil) was in the form of finance lease assets.

During the three months ended 30 June 2014, the Group disposed of items of property, plant and equipment with a carrying amount of RM36,000 (three months ended 30 June 2013: RM105,000), resulting in a net gain on disposal of RM118,000 (three months ended 30 June 2013: net loss of RM1,000).

**10. Subsequent events**

On 14 July 2014, the Company acquired 51 ordinary shares of RM1.00 each in the share capital of Vista Cape Sdn. Bhd. ("VCSB") for a cash consideration of RM51.00. As a result, VCSB became a 51% owned subsidiary of the Company.

On 4 August 2014, the Company disposed of 30% of the equity interest comprising 30,000 ordinary shares of RM1.00 each in the share capital of Weida Towers Sdn. Bhd. [formerly known as Weida Water Sdn. Bhd. ("WTSB")], for a total cash consideration sum of RM30,000. Subsequent to the disposal, WTSB became a 70% owned subsidiary of the Company.

**11. Changes in composition of the Group**

On 1 April 2014, the Group acquired 7 ordinary shares of RM1.00 each in the share capital of Weida Communication Sdn Bhd ("WCSB") [formerly known as MEMCOR (Malaysia) Sdn. Bhd.], for a cash consideration of RM7. As a result, WCSB became a 70% owned subsidiary of the Company.

The effect of the acquisition of WCSB on the Group's assets and liabilities on the date of the acquisition is as follows:

	<b>RM'000</b>
Trade and other payables	(22)
Net identifiable liabilities acquired	(22)
Less: Non-controlling interests	7
Goodwill arising from acquisition	15
	-
Less: Cash and cash equivalents acquired	-
Net cash outflow	-

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**Notes to the consolidated interim financial statements**

(continued)

**12. Changes in contingent liabilities**

As at 30 June 2014, the Group has, in the ordinary course of business, provided bank guarantees of RM9,278,000 to third parties in the capacity of the Group as the sub-contractors of, or suppliers to, projects.

As at 21 August 2014, the Group has, in the ordinary course of business, provided bank guarantees of RM9,099,000 to third parties in the capacity of the Group as the sub-contractors of, or suppliers to, projects.

**13. Capital commitments**

	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>
Property, plant and equipment		
Authorised but not contracted for	20,215	19,901
Contracted but not provided for	2,226	401
	<b>22,441</b>	<b>20,302</b>

**14. Material related party transactions**

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

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

<u>Nature of transaction</u>	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Quarter 3 months ended</b>	
	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>
Rental of premises	75	65	75	65

b) *Transaction with certain directors and key management personnel of the Company and the Group*

<u>Nature of transaction</u>	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Quarter 3 months ended</b>	
	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>
Progress billings for properties under development	(664)	-	(664)	-
Rental of premises	3	9	3	9

c) *Transaction with persons connected to a Director of the Company*

<u>Nature of transaction</u>	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Quarter 3 months ended</b>	
	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>
Progress billings for properties under development	(234)	-	(234)	-

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**14. Material related party transactions (continued)**

d) *Transaction with a person who is a substantial shareholder of a corporate shareholder of a subsidiary of the Group*

<u>Nature of transaction</u>	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	RM'000	RM'000	RM'000	RM'000
Progress billings for properties under development	(126)	-	(126)	-

**15. 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 2014	30 June 2013	30 June 2014	30 June 2013
	RM'000	RM'000	RM'000	RM'000
Directors of the Company	1,019	300	1,019	300
Directors of subsidiaries and other key management personnel	2,413	743	2,413	743
	3,432	1,043	3,432	1,043

**16. Other intangible assets**

Other intangible assets comprise:

- ***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 payment consideration for the construction works carried out, the NFPLH and the Group 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.

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### 17. 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 RM4.2 million (31.3.2014: RM3.8 million) which is secured by a first fixed and floating charges over the former associate's assets and bears fixed interest at 6.00% (31.3.2014: 6.00%) per annum. The amount is repayable in full by December 2017.
- (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 RM21.3 million (31.3.2014: RM21.2 million), which is unsecured and interest free.
- (iii) Included in both non-current and current balance of other receivables, is an amount of RM1.1 million (31.3.2014: RM1.3 million) receivable from a contractor of the Group for the disposal of property, plant and equipment which is unsecured, interest free and expected to be recovered by monthly fixed instalment payments.
- (iv) Included in current trade receivables is a gross retention sum receivable 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 as well as additional RM0.4 million for the quarter ended 30 June 2014, no impairment loss need to be made for the remaining receivables as at 30 June 2014 despite the continuing political unrest in Syrian Arab Republic, after taking into consideration the advance payments of RM4.4 million (31.3.2014: RM4.5 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.

### 18. Other payables

The Group through its subsidiaries, Loyal Paragon Sdn. Bhd. ("LPSB") and Good Axis Sdn. Bhd. ("GASB"), had entered into two separate joint venture agreements ("JVAs") with two companies ("the Land Owners") respectively:

- to develop a parcel of leasehold land into residential properties; and
- to develop a parcel of freehold land into residential properties.

The projects are hereinafter referred to as "the Joint Developments" and the lands, as "the Project Lands".

Through the JVAs, the Land Owners shall contribute the Project Lands for the Joint Developments and both LPSB and GASB shall carry out the entire spectrum of development works for the Joint Developments, in accordance with plans approved by the appropriate authorities, including the construction, project management, financing, sales and administrative functions.

Included in the current other payables is a sum of RM8.5 million which relates to the Land Owners' entitlements from the Joint Developments after deducting the payments made on their behalf in connection with the Joint Developments.

### 19. 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 2014.

### 20. Fair value hierarchy

In the three months ended 30 June 2014, 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.

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**21. Review of performance**

Group revenue amounting to RM69.2 million for the 1<sup>st</sup> quarter ended 30 June 2014 (1Q FYE 31 March 2014: RM88.0 million) marks a steady start for the financial year ending (“FYE”) 31 March 2015 towards our quest to better the revenue achieved of RM318.2 million in the previous FYE 31 March 2014. Similarly, the profit before tax of RM6.1 million (1Q FYE 31 March 2014: RM14.6 million) is a credible start for the current financial year ending 31 March 2015.

Performance of each operating segment below is shown before accounting for unallocated corporate expenses.

**a) Manufacturing**

The manufacturing segment has performed well to generate a revenue of RM50.2 million for the 1<sup>st</sup> quarter ended 30 June 2014 (1Q FYE 31 March 2014: RM51.3 million) which puts it on track to beat the full year revenue of RM194.6 million achieved in the FYE 31 March 2014. It also exceeded the revenue of RM45.9 million achieved in the preceding quarter ended 31 March 2014 mainly due to higher demand from government projects. Accordingly, the segment profit of RM4.8 million for the 1<sup>st</sup> quarter ended 30 June 2014 (1Q FYE 31 March 2014: RM7.5 million) yielded a healthy segment profit margin of 9.6% (1Q FYE 31 March 2014: 14.6%) for the current quarter.

**b) Works**

By its nature, the revenue and profit contribution of the works segment will fluctuate reflecting the ebb and flow of projects.

With certain past projects achieving completion in the previous financial year, this segment generated a low revenue of RM8.9 million (1Q FYE 31 March 2014: RM31.7 million) and profit of RM1.8 million (1Q FYE 31 March 2014: RM7.6 million) in the current quarter while waiting for new projects which are anticipated to commence in the 3<sup>rd</sup> quarter of the current financial year.

**c) Property**

In line with Weida’s strategy to grow while diversifying its income stream, the Group had successfully launched its maiden property development project in Ara Damansara, Urbana Residences in early October 2013. This project, with a RM231 million gross development value, has achieved a take-up rate in excess of 90% since its launch to date and construction works is expected to pick up pace with completion scheduled for 2016.

As the project is at its initial stage of development, the revenue recognised during the current quarter of RM5.7 million (1Q FYE 31 March 2014: Nil) is insufficient to cover overheads. Furthermore, the Group is actively preparing to launch its next property development project. This has resulted in the property development segment recording a loss of RM1.0 million for the current financial period ended 30 June 2014 (1Q FYE 31 March 2014: loss of RM0.7 million).

**d) Others**

Activities generated from the management, operations and maintenance of septic sludge treatment plants as well as the collection of septic sludge generated a revenue of RM4.1 million for the 1<sup>st</sup> quarter ended 30 June 2014 (1Q FYE 31 March 14: RM3.6 million), putting this business segment in a good position to surpass the RM14.5 million achieved in the previous financial year. The improved performance of this business segment is due to its expansion to cover a larger geographical area. Correspondingly, the profit for the current quarter ended 30 June 2014 of RM0.9 million is higher than the RM0.7 million achieved in the corresponding quarter ended 30 June 2013.

Contribution from quarry operation is minimal with revenue of RM0.3 million (1Q FYE 31 March 2014: Nil) and profit of RM0.1 million (1Q FYE 31 March 2014: Nil) for the current quarter under review.



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**22. Variation of results against preceding quarter**

The group achieved a credible profit before tax of RM6.1 million for the current quarter, albeit lower than the RM10.9 million achieved in the preceding quarter due mainly to the followings:

- (i) cost savings in certain projects nearing completion in the preceding quarter ended 31 March 2014; and
- (ii) profit contributed from property segment in the preceding quarter due to the initial profit recognition based upon percentage of completion of works and sales achieved.

However, it is to be noted that the manufacturing segment's revenue and profit for the current quarter ended 30 June 2014 surpassed the segment's revenue and profit for the preceding quarter mainly due to higher demand from government projects and mix of products and customers which yielded more favourable profit margin.

**23. Prospects for the financial year ending 31 March 2015**

Malaysia's manufacturing sector has grown 10.1% for the period 2013/14 and our manufacturing segment is expected to grow in tandem with this growth. At the same time, the areas of focus of the Tenth Malaysia Plan (10<sup>th</sup> MP) augur well for the Group, particularly in the areas of water supply, sanitation facilities, housing and general infra-structure developments such as roads, drainage etc.

The development of telecommunication infrastructure has made further progress with the recent announcement from the Malaysian Communications and Multimedia Commission ("MCMC") to build 149 new towers in Sarawak and 79 towers in Sabah. Under Budget 2014, MCMC will build 1,000 telecommunication towers throughout the country. We anticipate that the construction of these towers would begin this year. Upon completion, the telecommunications coverage in Sarawak is expected to rise to 90% in 2015.

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 has ventured into property development, incorporating strong life style themes. Following the success of our maiden property development project, Urbana Residences, with a take-up rate in excess of 90%, the Group is all set to embark onto the next project in Mont Kiara, an upmarket neighbourhood in Kuala Lumpur. The project named Ardena with an estimated gross development value of RM330 million is expected to be previewed towards the last quarter of 2014. Meanwhile, the Group will continuously accumulate valuable land banks for development. Increasingly, this segment will contribute positively to the Group's revenue.

In addition, the Group is currently sourcing for more construction works which is expected to give positive contribution too.

As such, barring unforeseen circumstances, the Directors are cautiously optimistic of achieving respectable results for the Group for the financial year ending 31 March 2015 on the strength of the diversified base of the Group (see Note 8).

**24. Revenue and profit forecast**

Not applicable as no revenue and profit forecast was published.

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**25. Income tax expense**

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
Malaysian - current year	2,398	3,592	2,398	3,592
- prior years	-	-	-	-
	2,398	3,592	2,398	3,592
Deferred tax (income)/expense				
- current year	(654)	233	(654)	233
- prior years	-	-	-	-
	(654)	233	(654)	233
Tax expense for the period	1,744	3,825	1,744	3,825

The Group's effective tax rate for the current quarter and corresponding quarter ended 30 June 2013 is higher than the prima facie tax rate due to non-deductible expenses and the unrecognised deferred tax asset from loss making operations.

**26. Status of corporate proposals**

Not applicable.

**27. Utilisation of share proceeds**

Not applicable.

**28. Loans and borrowings**

	30 June 2014 RM'000	30 June 2013 RM'000
Non-current		
Unsecured	36,021	102,579
Secured	36,801	2,384
	72,822	104,963
Current		
Unsecured	54,240	46,389
Secured	6,147	21,206
	60,387	67,595
Total	133,209	172,558

The current unsecured loans and borrowings include debt securities amounting to RM5.0 million (see Note 6). All borrowings are denominated in Ringgit Malaysia.

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**29. Derivatives financial instruments**

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

	<b>Contract/Notional Value RM'000</b>	<b>Net Fair Value RM'000</b>
Forward foreign currency contracts	2,393	2,377
- less than 1 year		

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 2014.

**30. 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.

**31. Material litigation**

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

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

The auditors have expressed an unqualified opinion on the Group's and the Company's statutory financial statements for the financial year ended 31 March 2014 in their report dated 30 July 2014.

**33. Profit for the financial period**

	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Quarter 3 months ended</b>	
	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>	<b>30 June 2014 RM'000</b>	<b>30 June 2013 RM'000</b>
<b><i>Profit is arrived at after charging:</i></b>				
Amortisation of intangible assets	3,478	3,871	3,478	3,871
Amortisation of prepaid lease payments	29	30	29	30
Amortisation of goodwill	10	10	10	10
Derivative loss on forward foreign exchange contracts	16	-	16	-
Depreciation of property, plant & equipment	2,232	2,266	2,232	2,266
Interest expenses	1,651	1,955	1,651	1,955
Goodwill written off	15	-	15	-
Loss on disposal of property, plant and equipment	-	1	-	1
Property, plant and equipment written off	62	17	62	17
Unrealised loss on foreign exchange	-	358	-	358
<b><i>and after crediting:</i></b>				
Derivative gain on forward foreign exchange contracts	-	121	-	121
Interest income	2,267	2,274	2,267	2,274
Gain on disposal of other investments	62	-	62	-
Gain on disposal of property, plant & equipment	118	-	118	-
Unrealised gain on foreign exchange	176	-	176	-

There were no exceptional items for the current quarter and current financial period.

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**34. Dividend payable**

A first and final single-tier exempted dividend of 3.0 sen per ordinary share of RM0.50 each in respect of the financial year ended 31 March 2014, if approved at the forthcoming Annual General Meeting, will be payable on 21 November 2014 to Depositors whose names appear in the Record of Depositors on 6 November 2014.

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

**35. 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 2014 RM'000	30 June 2013 RM'000	30 June 2014 RM'000	30 June 2013 RM'000
Profit for the period	4,350	10,725	4,350	10,725
Add: Amount attributable to non-controlling interests	(522)	(242)	(522)	(242)
Profit for the period attributable to owners of the Company	3,828	10,483	3,828	10,483
Weighted average number of ordinary shares in issue ('000)	126,895	126,895	126,895	126,895
Basic earnings per ordinary share (sen)	3.02	8.26	3.02	8.26

The weighted average number of ordinary shares in issue during the individual quarter and financial year 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 2014 is 126,894,740 (30 June 2013: 126,894,940).

*(b) Diluted earnings per ordinary 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 ordinary share.

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**36. 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:

	<b>30 June 2014 RM'000</b>	<b>31 March 2014 RM'000</b>
Total retained earnings of the Company and its subsidiaries:		
- Realised	303,154	302,641
- Unrealised	(1,005)	(1,874)
	302,149	300,767
Share of accumulated losses from associate		
- Realised	(30)	(15)
	302,119	300,752
Less: Consolidation adjustments	(18,266)	(20,789)
Total group retained earnings as per statement of changes in equity	283,853	279,963

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 28 August 2014.