

D'NONCE TECHNOLOGY BHD.
(503292-K)

The Board wishes to announce the following unaudited results of the Group for the first financial quarter ended 30 November 2013.

Unaudited Condensed Consolidated Statement of Financial Position As At 30 November 2013

	<i>Note</i>	As At 30/11/2013 RM'000	As At 31/08/2013 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	<i>10</i>	38,916	42,101
Investment properties		12,325	12,429
Other investments		14	14
Intangible assets		289	289
Trade receivable		471	548
Deferred tax assets		826	704
Cash and bank balances		432	432
		<u>53,273</u>	<u>56,517</u>
Currents assets			
Inventories		17,443	18,798
Trade receivables		26,235	28,918
Other receivables, deposit and prepayment		5,866	6,113
Tax recoverable		708	609
Cash and bank balances		9,718	10,082
		<u>59,970</u>	<u>64,520</u>
Non-current assets held for sale		692	-
		<u>60,662</u>	<u>64,520</u>
TOTAL ASSETS		<u>113,935</u>	<u>121,037</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		45,101	45,101
Share premium		12,310	12,310
Other capital reserve		5,120	5,120
Foreign currency translation reserve		814	1,201
Legal reserve		32	32
Accumulated loss		(25,512)	(19,656)
		<u>37,865</u>	<u>44,108</u>
Non-controlling interest		<u>3,704</u>	<u>3,624</u>
Total equity		<u>41,569</u>	<u>47,732</u>
Non-current liabilities			
Retirement benefit obligations		688	1,811
Borrowings	<i>21</i>	14,222	13,070
Deferred tax liabilities		299	171
		<u>15,209</u>	<u>15,052</u>

Unaudited Condensed Consolidated Statement of Financial Position As At 30 November 2013 (cont'd)

		As At 30/11/2013 RM'000	As At 31/08/2013 RM'000
	<i>Note</i>		
Current liabilities			
Retirement benefit obligations		1,377	541
Borrowings	<i>21</i>	29,457	29,600
Trade payables		16,594	18,336
Other payables		9,535	9,705
Current tax payable		181	37
Derivatives		13	34
		<u>57,157</u>	<u>58,253</u>
Total liabilities		<u>72,366</u>	<u>73,305</u>
TOTAL EQUITY AND LIABILITIES		<u>113,935</u>	<u>121,037</u>
Net tangible assets per share (RM)		<u>0.83</u>	<u>0.97</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 August 2013.)

The accompanying notes are an integral part of this statement.

Unaudited Condensed Consolidated Income Statement For The Quarter Ended 30 November 2013

	<i>Note</i>	CURRENT QUARTER		CUMULATIVE QUARTER	
		3 months ended		3 months ended	
		30/11/2013	30/11/2012	30/11/2013	30/11/2012
		RM'000	RM'000	RM'000	RM'000
Revenue		43,304	47,994	43,304	47,994
Operating expenses		(42,791)	(46,122)	(42,791)	(46,122)
Other income including investment income		445	445	445	445
Profit from operations		958	2,317	958	2,317
Depreciation		(1,399)	(1,317)	(1,399)	(1,317)
Fair value changes in derivatives		21	(5)	21	(5)
Foreign exchange gain/(loss)		348	132	348	132
Gain/(loss) on disposal of quoted or unquoted investment or properties		-	-	-	-
Gain/(loss) on disposal of property, plant and equipment		(1)	(18)	(1)	(18)
Impairment of assets		(1,295)	-	(1,295)	-
Interest expense		(595)	(567)	(595)	(567)
Interest income		63	74	63	74
Property, plant and equipment written off		(279)	(7)	(279)	(7)
Provision for and written off of inventories		(3,352)	(60)	(3,352)	(60)
Provision for and written off of receivables		-	-	-	-
(Loss)/Profit before taxation		(5,531)	549	(5,531)	549
Taxation	19	(245)	(201)	(245)	(201)
(Loss)/Profit for the period		<u>(5,776)</u>	<u>348</u>	<u>(5,776)</u>	<u>348</u>
(Loss)/Profit attributable to :					
Owner of the parent		(5,856)	300	(5,856)	300
Non-controlling interest		80	48	80	48
		<u>(5,776)</u>	<u>348</u>	<u>(5,776)</u>	<u>348</u>
(Loss)/Earnings per share (sen) :-	26				
(a) Basic		(12.98)	0.67	(12.98)	0.67
(b) Fully Diluted		<u>(12.98)</u>	<u>0.67</u>	<u>(12.98)</u>	<u>0.67</u>

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 August 2013.)

The accompanying notes are an integral part of this statement.

Unaudited Condensed Consolidated Statement of Comprehensive Income For The Quarter Ended 30 November 2013

	CURRENT QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	30/11/2013	30/11/2012	30/11/2013	30/11/2012
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the period	(5,776)	348	(5,776)	348
Foreign currency transaction differences for foreign operations	(387)	(227)	(387)	(227)
Total comprehensive income for the period	<u>(6,163)</u>	<u>121</u>	<u>(6,163)</u>	<u>121</u>
Total comprehensive income attributable to:				
Owner of the parent	(6,243)	73	(6,243)	73
Non-controlling interest	80	48	80	48
	<u>(6,163)</u>	<u>121</u>	<u>(6,163)</u>	<u>121</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 August 2013.)

The accompanying notes are an integral part of this statement.

Unaudited Condensed Consolidated Statements of Changes in Equity For The Quarter Ended 30 November 2013

	← Attributable to owners of the parent →							Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	← Non-distributable →									
	Share Capital RM'000	Share Premium RM'000	Other Capital Reserve RM'000	Foreign Currency Translation Reserve RM'000	Legal Reserve RM'000	ESOS Reserve RM'000	Accumulated Loss RM'000			
At 1 September 2013	45,101	12,310	5,120	1,201	32	-	(19,656)	44,108	3,624	47,732
Total comprehensive income for the period	-	-	-	(387)	-	-	(5,856)	(6,243)	80	(6,163)
At 30 November 2013	45,101	12,310	5,120	814	32	-	(25,512)	37,865	3,704	41,569
At 1 September 2012	45,101	12,310	5,120	325	32	114	(10,028)	52,974	3,665	56,639
Changes in present value of retirement benefit obligations	-	-	-	-	-	-	18	18	-	18
Total comprehensive income for the period	-	-	-	(227)	-	-	300	73	48	121
At 30 November 2012	45,101	12,310	5,120	98	32	114	(9,710)	53,065	3,713	56,778

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 August 2013.)

The accompanying notes are an integral part of this statement.

Unaudited Condensed Consolidated Statement of Cash Flows For The Period Ended 30 November 2013

	3 months ended	
	30/11/2013	30/11/2012
	RM'000	RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before taxation	(5,531)	549
Adjustments for non-cash flows:-		
Depreciation	1,399	1,317
Loss on disposal of property, plant and equipment	1	18
Interest expense	595	567
Interest income	(63)	(74)
Provision for and written off of inventories	3,352	60
Net fair value changes in derivatives	(21)	5
Property, plant and equipment written off	279	7
Impairment of Property, Plant and Equipment	1,295	-
Non-operating items	167	(31)
Operating profit before working capital changes	1,473	2,418
Decrease/(Increase) in receivables	3,008	(757)
Increase in inventories	(1,667)	-
Decrease in payables	(2,335)	(1,035)
Cash generated from operations	479	626
Tax paid	(194)	198
Interest paid	(595)	(567)
Retirement benefit obligations paid	(360)	-
Net cash (used in)/generated from operating activities	(670)	257
Cash Flows From Investing Activities		
Interest income	63	74
Purchases of property, plant and equipment	(108)	(2,673)
Proceed from disposal of property, plant and equipment	-	62
Net changes to fixed deposit	391	-
Net cash used in investing activities	346	(2,537)
Cash Flows From Financing Activities		
(Repayment)/Drawdown of short term borrowings	(296)	1,259
Repayment of hire purchase and lease financing	(247)	(349)
Drawdown/(Repayment) of term loans	1,224	(756)
Net cash generated from financing activities	681	154
Net decrease in cash and cash equivalents	357	(2,126)
Effect of exchange rate changes	(58)	(49)
Cash and cash equivalents at beginning of the period	1,462	3,253
Cash and cash equivalents at end of the period	1,761	1,078
Cash and cash equivalents comprise:		
Deposit with licensed banks	5,325	4,750
Cash and bank balances	4,393	5,683
Bank overdraft - secured	(7,957)	(9,355)
	1,761	1,078

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 August 2013.)

The accompanying notes are an integral part of this statement.