1. **Basis of Preparation**

These condensed consolidated interim financial statements have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial reports also comply with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 March 2013, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”).

The Group has not adopted the following MFRSs that have been issued as at the date of authorisation but not yet effective for the financial year ended 31 March 2014:-

|  |  |  |  |
| --- | --- | --- | --- |
| **MFRSs, Amendments to MFRSs and IC Interpretation** | | **Effective for annual period**  **beginning on or after** | |
| MFRS 3 | Business Combinations (IFRS 3 *Business Combinations* issued by IASB in March 2004) | | 1 January 2013 |
| MFRS 9 | Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010) | | 1 January 2015 |
| MFRS 10 | Consolidated Financial Statements | | 1 January 2013 |
| MFRS 11 | Joint Arrangements | | 1 January 2013 |
| MFRS 12 | Disclosure of Interests in Other Entities | | 1 January 2013 |
| MFRS 13 | Fair Value Measurement | | 1 January 2013 |
| MFRS 119 | Employee Benefits | | 1 January 2013 |
| MFRS 127 | Consolidated and Separate Financial Statements (IAS 27 *Consolidated and Separate Financial Statements* revised by IASB in May 2011 and December 2003) | | 1 January 2013 |
| MFRS 128 | Investment in Associates and Joint Ventures | | 1 January 2013 |
| Amendments to MFRSs | Annual Improvements 2009 – 2011 Cycle | | 1 January 2013 |
| Amendments to MFRS 1 | Government Loans | | 1 January 2013 |
| Amendments to MFRS 7 | Disclosures – Offsetting Financial Assets and Financial Liabilities | | 1 January 2013 |
| Amendments to MFRSs 10, 11 & 12 | Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance | | 1 January 2013 |
| Amendments to MFRS 101 | Presentation of Items of Other Comprehensive Income | | 1 July 2012 |
| Amendments to MFRS 132 | Offsetting Financial Assets and Financial Liabilities | | 1 January 2014 |
| IC Interpretation 20 | Stripping Costs in the Production Phase of a Surface Mine | | 1 January 2013 |

Other than those stated below, these interim financial statements have been prepared in accordance with the same accounting policies adopted in the financial statements for the financial year ended 31 March 2013.

These interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2013.

1. **Audit Report**

The preceding year’s audited financial statements were not subject to any audit qualification.

1. **Seasonal or Cyclical Factors**

Apart from the traditional variations in the level of business activities, the Group’s activities are not affected by any seasonal or cyclical factors.

1. **Unusual Items**

There were no unusual items that affected the assets, liabilities, equity, net income or cash flows for the current quarter.

1. **Material Changes in Estimates**

There were no material changes in the estimates used in the current quarter compared to the estimates used in the previous financial year, which have a material effect in the current quarter.

1. **Dividend paid**

No dividend was declared and paid for the quarter under review.

1. **Segment Reporting**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Segmental revenue and results for the cummulative quarter ended 30 September 2013:-** | | | | |
|  |  |  |  |  |
|  | **Manufacturing** | **Others** | **Elimination** | **Total** |
|  | RM’000 | RM’000 | RM’000 | RM’000 |
| **Revenue** |  |  |  |  |
| External sales | 69,773 | 1,397 | - | 71,170 |
| Inter-segment sales | 1,188 | 2,193 | (3,381) | - |
| Total revenue | 70,961 | 3,590 | (3,381) | 71,170 |
|  |  |  |  |  |
| **Results** |  |  |  |  |
| Total profit or loss for reportable segments | |  |  | 11,017 |
| Elimination of inter-segment profits |  |  |  | 66 |
| Depreciation |  |  |  | (2,885) |
| Finance costs |  |  |  | (452) |
| Interest income |  |  |  | 39 |
| Profit before taxation |  |  |  | 7,785 |
|  | | | | |
| **Segmental revenue and results for the cummulative quarter ended 30 September 2012:-** | | | | |
|  |  |  |  |  |
|  | **Manufacturing** | **Others** | **Elimination** | **Total** |
|  | RM’000 | RM’000 | RM’000 | RM’000 |
| **Revenue** |  |  |  |  |
| External sales | 69,505 | 1,428 | - | 70,933 |
| Inter-segment sales | 1,214 | 2,786 | (4,000) | - |
| Total revenue | 70,719 | 4,214 | (4,000) | 70,933 |
|  |  |  |  |  |
| **Results** |  |  |  |  |
| Total profit or loss for reportable segments | |  |  | 7,754 |
| Elimination of inter-segment profits |  |  |  | 250 |
| Depreciation |  |  |  | (2,715) |
| Finance costs |  |  |  | (450) |
| Interest income |  |  |  | 22 |
| Profit before taxation |  |  |  | 4,861 |

1. **Material Events Subsequent To The End of Interim Period**

There were no material events subsequent to the end of the quarter that have not been reflected in the quarterly financial statements.

1. **Effect of Changes in Composition of the Group**

There were no changes in composition of the Group for the current financial period to-date.

1. **Contingent Liabilities And Contingent Assets**

The contingent liabilities represent corporate guarantees totalling RM67,550,000 (2013: RM66,050,000) in respect of bank and trade facilities granted to a subsidiary.

The amount of bank and trade facilities utilised which were secured by corporate guarantees as at 30 September 2013:-

|  |  |
| --- | --- |
|  | RM’000 |
| Trade balance outstanding | 5,564 |
|  |  |
| Short-term borrowings – Bankers’ acceptances | 13,400 |
| – Revolving credit | 4,000 |
|  | 17,400 |
|  |  |

There were no contingent assets at the date of this quarterly report.

1. **Debt and Equity Securities**

There is no issuance of debt and equity securities for the current financial period to-date.

1. **Capital Commitments**

There are no material capital commitments as at the end of current quarter.