## Additional Information Required By The BMSB's Main Market Listing Requirement For The Second Quarter Ended 30 September 2014

### **1. Review of Performance**

### (a) <u>Current Quarter vs Preceding Year Corresponding Quarter</u>

The Group recorded revenue of RM41.7 million for the quarter under review as compared to RM35.8 million in the corresponding quarter of the preceding year. The Group's profit before tax for the current quarter was RM6.9 million, representing an increase of RM3.1 million as compared to profit before tax of RM3.8 million in the corresponding quarter of the preceding year. The increase of the Group's profit before tax was mainly contributed by higher volume and higher margin coupled with lower operating expenses during the current quarter as compared to the corresponding quarter of the preceding year.

### (b) Current Period To-date vs Preceding Period To-date

The Group registered higher revenue of RM80.9 million for the current period ended 30 September 2014 as compared to RM71.2 million in the preceding year ended 30 September 2013. The Group recorded higher profit before tax of RM11.3 million for the current period ended 30 September 2014 as compared to profit before tax of RM7.8 million in the preceding year ended 30 September 2013. The increase in profit before tax was contributed by higher volume and higher margin during the current period to-date as compared to the preceding year.

## 2. Variation of Results Against Immediate Preceding Quarter

The Group recorded revenue of RM41.7 million for the current quarter as compared to RM39.3 million in the immediate preceding quarter. The Group's profit before tax has increased by RM6.9 million from RM4.4 million in the immediate preceding quarter to RM11.3 million in the current quarter. The increase of the Group's profit before tax was mainly contributed by higher volume and higher margin coupled with lower operating expenses recorded during the current quarter as compared to the immediate preceding quarter.

## **3.** Current Year Prospects

Based on the current economic outlook in Malaysia, the construction industry is expected to remain progressive. However, uncertainty of uncontrollable factors such as raw materials pricing, fuel & energy costs and shortage of manpower in the manufacturing sector are expected to affect the Group's turnover and profit. The Group's continuous effort to diversify its products, introduce products differentiation and to improve on the existing products together with the implementation of cost savings exercise will help to enhance its overall competitiveness in the industry. Hence, barring any unforeseen circumstances, the Group is optimistic that it will remain profitable in the remaining quarters.

## Additional Information Required By The BMSB's Main Market Listing Requirement For The Second Quarter Ended 30 September 2014

## 4. Profit Forecast

Not applicable for the current financial year as no profit forecast was published.

## 5. Income tax expense

	Current Quarter 30/09/2014	Current Year To-Date 30/09/2014
	RM'000	RM'000
Current period tax expense - Malaysia Current period	1,800	3,130
Deferred tax expense		
Origination of temporary differences	12	24
	1,812	3,154

The Group's effective tax rate is higher than the Malaysia statutory tax rate mainly due to certain expenses not deductible for tax purposes.

## 6. Status of Corporate Proposals

- (a) Bonus issue of 30,456,500 new ordinary shares of RM0.50 each ("Bonus Shares") on the basis of one (1) Bonus Share for every four (4) existing ordinary share of RM0.50 each has been completed on 25<sup>th</sup> November 2014; and
- (b) The new executives share option scheme ("ESOS") involving up to 15% of the issued and paid-up share capital of the Company to eligible directors and employees of the Company and its subsidiaries which are not dormant, on an entitlement date to be determined and announced later.

Other than the above, there were no other corporate proposals announced and not completed as at the date of this report.

## 7. Borrowings

The Group's total borrowings as at 30 September 2014 were as follows:-

Short-term borrowing:-

Unsecured RM'000

- Bankers' acceptances

1,600

## Additional Information Required By The BMSB's Main Market Listing Requirement For The Second Quarter Ended 30 September 2014

## 8. Derivative Financial Instruments

There were no derivative financial instruments as at the date of this report.

### 9. Dividends

No interim dividend has been declared for the current financial period to-date.

#### **10.** Material Litigation

As of the date of this report, the Group does not have any material litigation which would have a material adverse effect on the financial position of the Group. Provisions, where necessary, have been taken up in the interim financial statements accordingly.

#### **11.** Basic Earnings Per Share ("EPS")

	Current Quarter 30/09/2014	Current Year To-Date 30/09/2014
Net profit attributable to owners of the Company (RM'000)	5,051	8,113
Number of ordinary shares issued ('000 shares)	121,826	121,826
Basic EPS (sen)	4.15	6.66

## **12. Profit before tax**

Profit before tax is arrived at after charging/(crediting) :

	<b>Current</b> <b>Quarter</b> <b>30/09/2014</b> RM <sup>3</sup> 000	Current Year To-Date 30/09/2014 RM'000
Depreciation and amortisation	1,518	3,059
Loss on foreign exchange (realised)	9	17
Impairment loss on trade receivables	(191)	1,149
Interest expense	22	60
Interest income	(24)	(50)
Rental expense	616	1,257
Rental income	(48)	(94)
Reversal of impairment loss on receivables	(40)	(390)

## Additional Information Required By The BMSB's Main Market Listing Requirement For The Second Quarter Ended 30 September 2014

## 13. Disclosure of Realised and Unrealised Profits or Losses

	As at 30/09/2014 RM'000	<b>As at</b> <b>31/03/2014</b> RM'000
Total retained profits of the Company and its subsidiaries:-		
- Realised	70,878	63,228
- Unrealised	11,111	10,751
	81,989	73,979
Less: Consolidation adjustments	(25,081)	(25,184)
Total retained profits as per statement of financial position	56,908	48,795

## **14.** 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 26 November 2014.