

**CAELY HOLDINGS BHD.  
(COMPANY NO. 408376-U)**

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE TWELVE MONTHS ENDED 31 MARCH 2012**



**Caely**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Current Year Quarter 31.03.2012 RM	Preceding Year Corresponding Quarter 31.03.2011 RM	Current Year To Date 31.03.2012 RM	Preceding Corresponding Year to Date 31.03.2011 RM
<b>Revenue</b>	26,163,032	12,982,718	68,746,461	57,651,875
Operating expenses	(23,803,879)	(18,454,462)	(68,456,586)	(70,697,594)
Other operating income	1,233,029	385,133	1,783,710	2,226,352
<b>Profit / (Loss) from operations</b>	<b>3,592,182</b>	<b>(5,086,611)</b>	<b>2,073,585</b>	<b>(10,819,367)</b>
Finance cost	(210,620)	(220,016)	(704,135)	(795,122)
<b>Profit / (Loss) before taxation</b>	<b>3,381,562</b>	<b>(5,306,626)</b>	<b>1,369,450</b>	<b>(11,614,489)</b>
Taxation	(274,760)	958,897	(194,898)	1,357,310
<b>Profit / (Loss) after taxation</b>	<b>3,106,802</b>	<b>(4,347,729)</b>	<b>1,174,552</b>	<b>(10,257,179)</b>
<b>Profit / (Loss) attributable to:</b>				
Owners of the Company	3,106,802	(4,347,729)	1,174,552	(10,257,179)
Non-controlling interest	-	-	-	-
<b>Profit / (Loss) after taxation</b>	<b>3,106,802</b>	<b>(4,347,729)</b>	<b>1,174,552</b>	<b>(10,257,179)</b>
Earnings per share:				
- basic (sen)	3.9	(5.4)	1.5	(12.8)
- diluted (sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011.

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	As at 31.03.2012 RM (unaudited)	As at 31.03.2011 RM (audited)
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	27,173,919	26,015,093
Prepaid lease payments	2,458,727	806,010
Deferred tax assets	92,106	69,402
Receivables, deposits and prepayments	66,256	288,504
	<u>29,791,008</u>	<u>27,179,009</u>
<b>CURRENT ASSETS</b>		
Inventories	25,587,107	25,895,378
Receivables, deposits and prepayments	17,809,797	9,524,156
Land held for development	3,695,300	-
Derivative financial instruments	8,916	95,593
Tax recoverable	776,105	1,083,906
Marketable securities	2,141,947	2,410,746
Deposits, bank and cash balances	5,025,873	7,248,299
	<u>55,045,045</u>	<u>46,258,078</u>
<b>TOTAL ASSETS</b>	<u><u>84,836,053</u></u>	<u><u>73,437,087</u></u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	40,000,000	40,000,000
Reserves	<u>25,018,777</u>	<u>20,597,807</u>
Equity attributable to -owners of the Company	65,018,777	60,597,807
Non-controlling interest	-	-
	<u>65,018,777</u>	<u>60,597,807</u>
<b>NON CURRENT LIABILITIES</b>		
Hire-purchase creditors	501,643	376,921
Term loan	781,767	1,012,570
Payables and accruals	53,990	74,889
Deferred tax liabilities	1,192,038	489,440
	<u>2,529,438</u>	<u>1,953,820</u>

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**(Continued)**

	As at 31.03.2012 RM (unaudited)	As at 31.03.2011 RM (audited)
<b>CURRENT LIABILITIES</b>		
Payables and accruals	9,829,055	7,004,047
Derivative financial instruments	35,331	116,203
Hire-purchase creditors	225,957	210,590
Short term bank borrowings		
- bank overdrafts	4,184,024	1,694,160
- others	2,765,500	1,630,950
Term loan	242,071	228,615
Current tax liabilities	5,900	895
	<u>17,287,838</u>	<u>10,885,460</u>
<b>TOTAL LIABILITIES</b>	<u>19,817,276</u>	<u>12,839,280</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>84,836,053</u>	<u>73,437,087</u>
Net Assets per share of RM0.50 each	<u><u>0.81</u></u>	<u><u>0.76</u></u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the Company							Total shareholders' equity	
	Share capital	Reserve on consolidation	Revaluation reserve	Share premium	Currency Translation Reserve	Retained profits	Minority Interest		RM
At 1 April 2010	40,000,000	80,344	4,690,672	9,419,360	79,707	16,473,440	-	70,743,523	
Effects on adoption of FRS 139	-	-	-	-	-	111,463	-	111,463	
As restated	40,000,000	80,344	4,690,672	9,419,360	79,707	16,584,903	-	70,854,986	
<u>Total comprehensive income</u>									
Net profit for the period	-	-	-	-	-	(10,257,179)	-	(10,257,179)	
At 31 March 2011	40,000,000	80,344	4,690,672	9,419,360	79,707	6,327,724	-	60,597,807	
At 1 April 2011	40,000,000	80,344	4,690,672	9,419,360	79,707	6,327,724	-	60,597,807	
Net surplus arising from									
Revaluation of landed properties, net of tax	-	-	3,246,418	-	-	-	-	3,246,418	
Net profit (loss) for the period	-	-	-	-	-	1,174,552	-	1,174,552	
At 31 December 2011	40,000,000	80,344	7,937,090	9,419,360	79,707	7,502,276	-	65,018,777	

The Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	31.03.2012 RM	31.03.2011 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit / (loss) for the period/year	1,174,552	(10,257,179)
Adjustments for:		
Property, plant and equipment		
- depreciation	1,760,540	1,943,734
- (gain) / loss on disposals	(215,385)	(148,760)
- write off	351,156	69,637
Amortisation of investment property	9,885	23,328
Amortisation of prepaid lease payments	11,047	4,730
Writeback of revaluation deficit	(75,912)	-
Land held for development	(3,695,300)	-
Allowance for doubtful debts	312,144	1,906,273
Interest expense	492,810	578,807
Taxation	194,898	(1,357,310)
Interest income	(179,496)	(226,251)
Fair Value (gains) / losses on marketable securities	178,885	(168,590)
(Gain) / loss on disposal of marketable securities	(74,645)	3,126
Fair value (gains) / losses on derivative financial instruments	5,804	20,610
Gross dividend income from marketable securities	(31,921)	(33,832)
	<u>219,062</u>	<u>(7,641,677)</u>
Net movements in working capital:		
Inventories	308,271	1,374,008
Receivables	(8,375,537)	2,367,588
Payables	2,804,110	(37,908)
Cash flows generated/(used in) from operations	<u>(5,044,094)</u>	<u>(3,937,989)</u>
Interest paid	(492,810)	(578,807)
Tax refund	478,826	40,560
Tax paid	<u>(318,422)</u>	<u>(1,445,692)</u>
Net operating cash flow	<u>(5,376,500)</u>	<u>(5,921,928)</u>

**The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011.**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT (Continued)**

	31.03.2012 RM	31.03.2011 RM
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment		
- payments for acquisition	(611,616)	(369,330)
- proceeds from disposals	246,800	246,122
Interest income received	179,496	226,251
Dividend income received	31,921	33,832
Marketable securities		
- payment for acquisition	(2,052,574)	(2,262,831)
- proceeds from disposals	2,217,134	1,920,571
Net investing cash flow	<u>11,161</u>	<u>(205,385)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Withdrawal of deposits pledged as security		3,000,000
(Repayments of)/ Proceeds from short term bank borrowings	1,134,550	(268,850)
Repayments of hire-purchase creditors	(264,152)	(112,923)
Repayments of term loan	(217,346)	(1,161,104)
Net financing cash flow	<u>653,052</u>	<u>1,457,123</u>
Net movement in cash and cash equivalents	(4,712,287)	(4,670,190)
Cash and cash equivalent at beginning of the financial period/year	<u>5,080,797</u>	<u>9,750,987</u>
Cash and cash equivalent at end of the financial period/year	<u><u>368,510</u></u>	<u><u>5,080,797</u></u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011.

## **1. Basis of Preparation**

The interim financial statements are unaudited and are prepared in accordance with Financial Reporting Standards (“FRS”) 134 - Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2011.

The accounting policies and methods of computation adopted in these interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31 March 2011, except for the adoption of the following relevant FRSs, amendments to FRSs and IC Interpretations.

FRS 3	Business Combination (revised)
FRS 127	Consolidated and Separate Financial Statements (revised)
Amendment to FRS 1	First-time Adoption of Financial reporting Standard
Amendment to FRS 127	Consolidated & Separate Financial Statements
Amendment to FRS 134	Interim Financial Statements
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 140	Investment Property
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting Impairment
IC Interpretation 18	Transfer of Assets from Customers

The application of the above FRSs, Amendments to FRSs and Interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group

## **2. Qualification of Auditors’ Report**

The auditors’ report of the preceding financial statements ended 31 March 2011 was not subject to any qualification.



**3. Seasonal or Cyclical Factors**

The business of the Group was not affected materially by any seasonal or cyclical factors for the quarter under review.

**4. Extraordinary or Exceptional Items**

There were no extraordinary or exceptional items for the current financial period under review.

**5. Changes in Estimates**

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

**6. Debts and Equity or Securities**

There were no issuance and repayment of debts and equity securities, share buy-back, share cancellations, share held as treasury shares and resale of treasury shares for period under review.

**7. Dividend Paid**

No dividend has been paid during the current financial quarter.

**Caely Holdings Bhd (408376-U)**

Incorporated in Malaysia

**Unaudited Interim Financial Statements  
for 4<sup>th</sup> Quarter ended 31 March 2012**

**8. Segmental information**

Financial period ended 31.03.2012	Direct Selling/Retail RM	Construction RM	Original Equipment Manufacturer RM	Own Brand RM	Car Accessories Manufacturer RM	Others RM	Total RM
<b>Sales</b>							
Total sales	4,581,303	13,208,471	50,903,546	2,054,010	510,417	15,000,120	86,257,867
Intersegment sales	-	-	-	(2,054,010)	(457,276)	(15,000,120)	(17,511,406)
External sales	<u>4,581,303</u>	<u>13,208,471</u>	<u>50,903,546</u>	<u>-</u>	<u>53,141</u>	<u>-</u>	<u>68,746,461</u>
<b>Results</b>							
Profit / (loss) on operations	(1,059,765)	3,990,284	456,973	468,094	(1,358,401)	(423,600)	2,073,585
Finance cost	(129,064)	(4,574)	(333,629)	(77,110)	(93,726)	(66,032)	<u>(704,135)</u>
Loss before tax							1,369,450
Taxation							<u>(194,898)</u>
Net loss for the period							<u>1,174,552</u>
Segment assets	8,116,499	13,123,533	41,790,896	14,221,868	1,592,243	5,991,014	84,836,053
Segment liabilities	2,406,286	4,230,447	9,122,747	1,399,309	1,458,477	1,200,010	19,817,276
Interest income	20	-	166,771	-	7,635	5,070	179,496
Capital expenditure	8,170	249,244	644,734	64,932	153,535	-	1,120,615
Depreciation and amortisation	169,239	21,029	1,171,854	200,643	140,664	78,043	1,781,472

**Caely Holdings Bhd (408376-U)**

Incorporated in Malaysia

**Unaudited Interim Financial Statements  
for 4<sup>th</sup> Quarter ended 31 March 2012**

**Segment information (Continued)**

Financial period ended 31.03.2011	Direct Selling/Retail RM	Construction RM	Original Equipment Manufacturer RM	Own Brand RM	Car Accessories Manufacturer RM	Others RM	Total RM
<u>Sales</u>							
Total sales	4,253,540	-	52,870,163	1,793,436	606,642	1,125,009	60,648,790
Intersegment sales	-	-	-	(1,793,436)	(78,470)	(1,125,009)	(2,996,915)
External sales	<u>4,253,540</u>	<u>-</u>	<u>52,870,163</u>	<u>-</u>	<u>528,172</u>	<u>-</u>	<u>57,651,875</u>
<u>Results</u>							
Profit / (loss) on operations	(5,549,074)	-	(3,480,008)	(48,465)	(1,355,004)	(386,816)	(10,819,367)
Finance cost	(279,910)	-	(296,117)	(93,432)	(86,297)	(39,366)	(795,122)
Loss before tax							(11,614,489)
Taxation							1,357,310
Net profit for the period							<u>(10,257,179)</u>
Segment assets	8,024,023	-	44,978,603	12,648,034	3,124,682	4,661,745	73,437,087
Segment liabilities	2,882,288	-	6,209,193	1,206,553	1,702,087	839,159	12,839,280
Interest income	86,165	-	139,446	-	-	640	226,251
Capital expenditure	162,165	-	364,606	-	9,559	-	536,330
Depreciation and amortisation	304,008	-	1,211,315	232,212	153,082	71,175	1,971,792

### **9. Valuations of property, plant and equipment**

The valuations of property, plant and equipment have been brought forward without any amendments from the financial statements for the financial period ended 31 March 2011 except for lands and buildings which have been restated to incorporate the latest valuations by a firm of independent valuers in accordance with the Group accounting policies.

### **10. Subsequent events**

There have been no material events subsequent to the financial period end that require adjustment or disclosure in this interim financial statements.

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

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

### **12. Contingent liabilities and contingent assets**

There are no contingent liabilities nor contingent assets to be disclosed as at the date of this interim financial statements.

### **13. Performance review**

For the current quarter under review, the Group recorded revenue of RM26.2 million as compared to RM13.0 million registered in the preceding year's corresponding quarter. The increase in revenue was mainly contributed by the property and construction segment which amounted to RM11.6 million for the current quarter.

For the current quarter, the Group posted an after tax profit of RM3.1 million as compared to an after tax loss of RM4.3 million recorded in the preceding year corresponding quarter. The improvement in profit after tax was mainly due to the better performance from the OEM segment and the new segment in property and construction.

For the current financial year ended 31 March 2012, the Group recorded revenue of RM68.7 million compared to RM57.6 million recorded in the preceding year corresponding period. In line with the increase in revenue of RM11.1 million, the Group posted a profit after tax of RM1.2 million compared to an after tax loss of RM10.2 million in the preceding corresponding financial year due to the contribution of the property and construction segment and the improved performance of the direct selling and OEM segments.

#### 14. Quarterly results comparison

The Group recorded an increase in revenue of RM12.6 million to RM26.2 million for the current quarter as compared to the immediate preceding quarter of RM13.6 million. The increase in revenue was mainly due to the OEM and property and construction segments. This has resulted in an after tax profit of RM3.1 million compared to an after tax loss of RM0.2 million recorded in the immediate preceding quarter.

#### 15. Prospects for the current financial year

The Group's operating environment continues to remain challenging. The announcement of the minimum wage by the Government may further add to the already rising operation cost. In addition, the uncertainties in the global economy have a direct impact on the Group's export market to these countries. Nevertheless, the Group will continue to adopt prudent measures to lessen the impact these challenges may have on the performance of the Group.

#### 16. Profit forecast and profit guarantee

Not applicable.

#### 17. Taxation

	Current Year Quarter 31.03.2012 RM	Preceding Year Corresponding Quarter 31.03.2011 RM	Current Year To Date 31.03.2012 RM	Preceding Corresponding Year to Date 31.03.2011 RM
Taxation				
- current year charge / (credit)	371,381	236,999	167,859	(44,253)
- prior year charge / (credit)	(15,457)	(230,949)	(15,457)	(230,949)
Deferred taxation				
- current year charge / (credit)	(81,163)	(964,947)	42,496	(1,082,108)
Tax charge / (credit)	<u>274,761</u>	<u>(958,897)</u>	<u>194,898</u>	<u>(1,357,310)</u>

#### 18. Unquoted investments and properties

There were no other material transactions involving unquoted investments and properties during the financial quarter under review.

## 19. Corporate proposal

- (a) On 27 June 2011, Caely (M) Sdn Bhd, a subsidiary of the Group, entered into a sale and purchase agreement (“SPA”) to acquire a piece of land from Tenaga Danawa Sdn Bhd for a total consideration of RM3,695,300 consisting of RM1,925,300 in cash and RM1,770,000 in kind. The land is intended for future mixed property development. As at 31 March 2012, the Group has paid RM577,590 in accordance to the terms for the acquisition and the balance is to be paid in various instalments over the period of development.
- (b) On 29 March 2012, the Group entered into a Share Sale Agreement (“SSA”) to dispose off 51% equity in a subsidiary, Avana Technologies (M) Sdn Bhd, for a consideration of RM450,000. The completion date of this transaction is within 3 months from the date of the Share Sale Agreement.

## 20. Borrowings and debts securities

There were no debts securities for the current financial period to date. Particulars of the Group’s borrowings as at 31 December 2011 are as follows:

	Current RM	Non-current RM	Total RM
<u>Ringgit Malaysia</u>			
Secured	2,711,706	1,283,410	3,995,116
Unsecured	2,750,346	0	2,750,346
	<u>5,462,052</u>	<u>1,283,410</u>	<u>6,745,462</u>
<u>US Dollar</u>			
Secured	1,955,500	0	1,955,500
	<u>7,417,552</u>	<u>1,283,410</u>	<u>8,700,962</u>

## 21. Derivative financial instruments

With the adoption of FRS 139, foreign currency forward contracts which were previously classified as off balance sheet financial instruments are now recognised in the balance sheet as derivative instruments as follows:

	Contract / Notional amount RM	Fair value as at 31.03.2012 RM	Fair value Gain / (loss) as at 31.03.2012 RM
Foreign currency forward contracts			
- less than 1 year	4,559,374	4,556,878	(2,496)
Bonus Protection forward			
- less than 1 year	4,956,000	4,932,082	(23,918)

**Derivative financial instruments (Continued)**

The management objectives and policies in respect of the above derivatives and its various risk management are consistent with those adopted during the last financial year ended 31 March 2011.

**22. Fair value changes of financial liabilities**

As at 31 March 2012, the Group does not have any financial liabilities measured at fair value through profit or loss.

**23. Changes in material litigation**

There is no material litigation as at the date of these interim financial statements.

**24. Proposed dividend**

The Directors do not recommend any payment of dividends in respect of the three months ended 31 March 2012.

**25. Earnings per share**

The earnings per ordinary share is calculated by dividing the net profit after tax and non-controlling interest for the period by the weighted average number of ordinary shares in issue during the period.

	Current Year Quarter 31.03.2012	Preceding Year Corresponding Quarter 31.03.2011	Current Year To Date 31.03.2012	Preceding Corresponding Year to Date 31.03.2011
Net profit / (loss) for the period (RM)	3,106,802	(4,347,729)	1,174,552	(10,257,179)
Weighted average number of ordinary shares in issue ('000)	80,000	80,000	80,000	80,000
Basic earnings per share (sen)	3.9	(5.4)	1.5	(12.8)
Diluted earnings per share (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

## 26. Capital commitments

As at 31 March 2012, there was a capital commitment for the purchase of property, plant and equipment of RM500,000 not provided for in the interim financial statements.

## 27. Disclosure of realised and unrealised retained earnings

	Current Year to Date 31.03.2012 RM	As at the End of Financial Year 31.03.2011 RM
Total retained earnings of the Company and its subsidiaries		
Realised	33,961,888	32,265,035
Unrealised	(1,145,020)	(246,155)
	<u>32,816,868</u>	<u>32,018,880</u>
Less: Consolidation adjustments	(25,314,592)	(25,691,156)
Total Group retained earnings as per consolidated accounts	<u><u>7,502,276</u></u>	<u><u>6,327,724</u></u>

The determination of realised and unrealised profit is compiled based on the format prescribed by Bursa Malaysian - Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

## 28. Profit / (Loss) before taxation

The profit / (loss) before taxation is arrived at after crediting / (charging) the following income / (expenses):

	Current Year Quarter 31.03.2012	Preceding Year Corresponding Quarter 31.03.2011	Current Year To Date 31.03.2012	Preceding Corresponding Year to Date 31.03.2011
(a) Interest income	41,895	127,473	179,496	226,251
(b) Other income including investment income	1,650	5,111	31,921	33,832
(c) Interest expense	134,775	193,542	492,810	578,807



**Profit / (Loss) before taxation (Continued)**

	Current Year Quarter 31.03.2012	Preceding Year Corresponding Quarter 31.03.2011	Current Year To Date 31.03.2012	Preceding Corresponding Year to Date 31.03.2011
(d) Depreciation and amortisation	440,977	460,133	1,781,473	1,967,062
(e) Provision for and write off of receivable	312,144	1,906,273	312,144	1,906,273
(f) Provision for and write off of inventories	(657,317)	839,601	(657,317)	839,601
(g) Gain/(Loss) on disposal of quoted or unquoted investments or properties	36,269	317,800	74,645	(3,126)
(h) Impairment of assets	351,156	69,637	351,156	69,637
(i) Foreign exchange gain/(loss)	482,638	419,006	304,065	1,434,289
(j) Gain/(Loss) on derivatives	471,689	-	(274,348)	-
(k) Exceptional items	-	-	-	-

**29. 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 May 2012**.