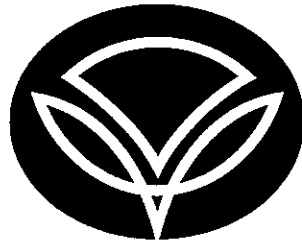


**CAELY HOLDINGS BHD.
(COMPANY NO. 408376-U)**

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED 31 MARCH 2013**



Caely

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Current Year Quarter 31.03.2013 RM	Preceding Year Corresponding Quarter 31.03.2012 RM	Current Year to Date 31.03.2013 RM	Preceding Corresponding Year to Date 31.03.2012 RM
Revenue	23,557,157	26,109,891	91,522,293	68,693,319
Operating expenses	(23,503,819)	(21,377,641)	(90,935,244)	(65,973,489)
Other operating income	947,473	727,332	2,277,860	1,221,150
Profit / (Loss) from operations	1,000,810	5,459,582	2,864,909	3,940,980
Finance cost	(203,650)	(82,592)	(738,982)	(576,107)
Profit / (Loss) before taxation	797,160	5,376,990	2,125,927	3,364,873
Taxation	(185,472)	(312,105)	(485,272)	(232,242)
Profit / (Loss) from continuing operations	611,688	5,064,885	1,640,655	3,132,631
Loss from discontinued operations	-	(1,967,575)	-	(1,967,575)
Non-controlling interest share of loss	40,605	-	40,605	-
	652,293	3,097,310	1,681,260	1,165,056
Other comprehensive income				
Surplus on revaluation of land and buildings	-	2,210,168	-	2,210,168
Deferred tax on revaluation surplus of land and buildings	-	(218,987)	-	(218,987)
Total comprehensive income	652,293	5,088,491	1,681,260	3,156,237
Profit / (Loss) attributable to:				
Owners of the Company	692,898	3,097,310	1,721,865	1,165,056
Non-controlling interest	(40,605)	-	(40,605)	-
Profit / (Loss) after taxation	652,293	3,097,310	1,681,260	1,165,056
Earnings per share:				
- basic (sen)	0.8	3.9	2.1	1.5
- 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 2012.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 31.03.2013 RM (Unaudited)	As at 31.03.2012 RM (Audited)	As at 01.04.2012 RM (Restated)
NON CURRENT ASSETS			
Property, plant and equipment	26,690,280	26,391,981	26,391,981
Prepaid lease payments	273,358	325,168	277,547
Deferred tax assets	0	92,439	92,439
Receivables, deposits and prepayments	17,307	60,070	60,070
Goodwill	172,022	-	-
	<u>27,152,967</u>	<u>26,869,658</u>	<u>26,822,037</u>
CURRENT ASSETS			
Property development costs	12,221,114	4,546,997	4,546,997
Inventories	23,849,892	25,587,108	25,587,108
Receivables, deposits and prepayments	19,748,113	17,674,326	17,674,326
Derivative financial instruments	10,177	8,916	8,916
Tax recoverable	518,978	689,001	689,001
Marketable securities	2,199,193	2,141,947	2,141,947
Deposits, bank and cash balances	7,013,894	5,047,894	5,047,894
	<u>65,561,361</u>	<u>55,696,189</u>	<u>55,696,189</u>
Non current assets held for sale	-	1,442,562	1,442,562
TOTAL ASSETS	<u>92,714,328</u>	<u>84,008,409</u>	<u>83,960,788</u>
EQUITY AND LIABILITIES			
Share capital	40,000,000	40,000,000	40,000,000
Reserves	25,320,015	23,674,337	23,638,755
Non-controlling interest	(144,335)	-	-
Equity attributable to owners of the Company	<u>65,175,680</u>	<u>63,674,337</u>	<u>63,638,755</u>
NON CURRENT LIABILITIES			
Hire-purchase creditors	430,351	541,183	541,183
Term loan	4,773,464	192,641	192,641
Payables and accruals	33,090	53,990	53,990
Deferred tax liabilities	1,310,365	811,305	799,265
	<u>6,547,270</u>	<u>1,599,119</u>	<u>1,587,079</u>

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Continued)

	As at 31.03.2013 RM (Unaudited)	As at 31.03.2012 RM (Audited)	As at 01.04.2012 RM (Restated)
CURRENT LIABILITIES			
Payables and accruals	11,376,426	10,641,111	10,641,111
Amount due to Director	467,503	-	-
Derivative financial instruments	1,950	35,331	35,331
Hire-purchase creditors	229,165	186,416	184,416
Short term bank borrowings			
- bank overdrafts	5,656,927	4,186,675	4,186,675
- others	2,827,082	2,065,500	2,065,500
Term loan	430,380	153,544	153,544
Current tax liabilities	1,945	5,900	5,900
	<u>20,991,378</u>	<u>17,274,477</u>	<u>17,274,477</u>
Liabilities associated with assets held for sale	<u>-</u>	<u>1,460,476</u>	<u>1,460,476</u>
TOTAL LIABILITIES	<u>27,538,648</u>	<u>20,334,072</u>	<u>20,322,033</u>
TOTAL EQUITY AND LIABILITIES	<u>92,714,328</u>	<u>84,008,409</u>	<u>83,960,788</u>
Net Assets per share of RM0.50 each	<u><u>0.81</u></u>	<u><u>0.80</u></u>	<u><u>0.80</u></u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012.

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	Non-Controlling Interest	
	RM	RM	RM	RM	RM	RM	RM	RM
At 1 April 2011	40,000,000	80,344	4,690,672	9,419,360	79,707	6,327,724	-	60,597,807
Effects of transition to MFRS	-	-	(36,835)	-	-	713	-	(36,122)
Restated balance	40,000,000	80,344	4,653,837	9,419,360	79,707	6,328,437	-	60,561,685
Net profit for the financial year						1,165,056		1,165,056
Other comprehensive income:								
- Surplus on revaluation of land and buildings (net of deferred tax)	-	-	1,991,181	-	-	-	-	1,991,181
Realisation of currency translation reserve					(79,707)			(79,707)
At 31 March 2012	40,000,000	80,344	6,645,018	9,419,360	-	7,493,493	-	63,638,215
At 1 April 2012	40,000,000	80,344	6,645,018	9,419,360	-	7,493,493	-	63,638,215
Effects of transition to MFRS	-	-	-	-	-	540	-	540
Restated balance	40,000,000	80,344	6,645,018	9,419,360	-	7,494,033	-	63,638,755
Net profit / (loss) for the financial year	-	-	-	-	-	1,681,260	(40,605)	1,640,655
Acquisition of subsidiary	-	-	-	-	-	-	(103,730)	(103,730)
At 31 March 2013	40,000,000	80,344	6,645,018	9,419,360	-	9,175,293	(144,335)	65,175,680

The Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	31.03.2013 RM (Unaudited)	31.03.2012 RM (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit from continuing operations	1,681,260	3,132,631
Adjustments for:		
Property, plant and equipment		
- depreciation	1,592,054	1,629,761
- (gain) / loss on disposals	(48,700)	(153,110)
- write off	1,421	263,062
Amortisation of prepaid lease payments	4,190	4,730
Clawback of revaluation deficits	-	(75,912)
Realisation of currency translation reserve		(79,707)
Allowance of doubtful debts (net)	115,655	121,248
Share of loss by Non-controlling interest	(40,605)	-
Impairment of goodwill	185,942	-
Interest expense	564,469	426,334
Interest income	(152,425)	(171,861)
Gross dividend income from marketable securities	(56,489)	(31,921)
Fair Value (gain) / loss on marketable securities	(17,561)	178,886
(Gain) / Loss on disposal of marketable securities	(15,362)	(74,645)
Fair value (gain) / loss on derivative financial instruments	(34,641)	5,805
Taxation	485,271	232,242
	<u>4,264,479</u>	<u>5,407,543</u>
Net movements in working capital:		
Inventories	1,747,981	(176,157)
Property development cost	(7,674,116)	(4,546,997)
Receivables	(559,553)	(8,630,478)
Payables	(1,500,463)	<u>3,738,653</u>
Cash flows generated from /(used in) operations	(3,721,672)	(4,207,436)
Interest paid	(564,469)	(426,334)
Tax refund	638,943	478,826
Tax paid	(354,108)	<u>(318,422)</u>
Operating cash flows from continuing operations	(4,001,306)	(4,473,366)
Operating cash flows from discontinued operations	-	<u>(837,326)</u>
Net operating cash flow	<u>(4,001,306)</u>	<u>(5,310,692)</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (Continued)		
	31.03.2013	31.03.2012
	RM	RM
	(Unaudited)	(Audited)
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment		
- payments for acquisition	(904,486)	(451,293)
- proceeds from disposals	1,700	199,800
Interest income received	152,425	171,861
Dividend income received	55,989	31,921
Acquisition of subsidiary	(118,215)	-
Marketable securities		
- payment for acquisition	(1,168,884)	(2,052,576)
- proceeds from disposals	1,144,560	2,217,134
Investing cash flows from continuing operations	(836,911)	116,847
Investing cash flows from discontinued operations	-	(153,535)
Net Investing cash flow	(836,911)	(36,688)
CASH FLOWS FROM FINANCING ACTIVITIES		
Deposits pledged as securities	(64,410)	-
(Repayments of)/ Proceeds from short term bank borrowings	761,582	1,135,960
Repayment to director	(91,993)	-
Repayments of hire-purchase creditors	(193,284)	(252,269)
Repayments of term loan	(142,341)	(132,043)
Term loan obtained	5,000,000	-
Financing cash flows from continuing operations	5,269,554	751,648
Financing cash flows from discontinued operations	-	(97,188)
Net financing cash flow	5,269,554	654,460
Net movement in cash and cash equivalents	431,337	(4,692,920)
Cash and cash equivalent at beginning of the financial period/year	387,877	5,080,797
Cash and cash equivalent at end of the financial period/year	819,214	387,877

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012.

1. Basis of Preparation

The interim financial statements are unaudited and are prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 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 2012.

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 2012, except for the first time adoption of MFRS Frameworks.

In the transition to the MFRS Framework, the Group has applied MFRS 1 “First time Adoption of MFRS” which provides certain optional exemptions and mandatory exemptions for first-time MFRS adopters. The transition to the MFRS Framework does not have a material impact on the Group’s financial statements.

At the date of these interim financial statements, the following MFRSs and Amendments to MFRSs were issued but not yet effective and the Group has not yet applied:

MFRS 9	Financial Instruments – Classification and Measurement of Financial Assets and Financial Liabilities
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosures of Interests in Other Entities
MFRS 13	Fair Value Measurements
MFRS 119	Employee Benefits
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures

The application of the above new accounting standards is not expected to have a material impact on the Group’s financial statements other than MFRS 9. MFRS 9 replaces the multiple classification and measurement models in MFRS 139 with a single model that has only two classification categories: amortised cost and fair value. The basis of classification depends on the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The impact on the application of MFRS 9 is still being assessed.

2. Qualification of Auditors' Report

The auditors' report of the preceding financial statements ended 31 March 2012 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.

8. Segmental information

Financial year ended 31.03.2013	Continuing Operations					Discontinued Operations		Total RM
	Direct Selling/Retail RM	Construction RM	Original Equipment Manufacturer RM	Own Brand RM	Others RM	Total RM	Car Accessories Manufacturer RM	
Sales								
Total sales	4,041,483	23,661,836	63,661,153	2,118,858	7,938,231	101,421,561	-	101,421,561
Intersegment sales	-	-	-	(2,084,956)	(7,814,312)	(9,899,268)	-	(9,899,268)
External sales	4,041,483	23,661,836	63,661,153	33,902	123,919	91,522,293	-	91,522,293
Results								
Profit / (loss) on operations	(2,484,716)	2,336,188	3,752,255	(140,696)	(598,122)	2,864,909	-	2,864,909
Finance cost	(108,265)	(79,715)	(444,410)	(85,117)	(21,475)	(738,982)	-	(738,982)
Profit before tax								2,125,927
Taxation								(485,272)
Non-controlling interest's share of loss								40,605
Net profit for the period								1,681,260
Segment assets	17,207,031	13,612,885	41,779,203	14,291,577	5,823,632	92,714,329	-	92,714,329
Segment liabilities	1,100,561	7,370,701	16,408,049	809,522	1,848,815	27,538,648	-	27,538,648
Interest income	12	-	147,379	-	5,034	152,425	-	152,425
Capital expenditure	37,842	150,273	36,040	607,610	197,920	1,029,685	-	1,029,685
Depreciation and amortisation	134,280	60,389	1,034,492	269,178	97,905	1,596,244	-	1,596,244

Segment information (Continued)

Financial year ended 31.03.2012	Continuing Operations					Discontinued Operations		Total RM
	Direct Selling/Retail RM	Construction RM	Original Equipment Manufacturer RM	Own Brand RM	Others RM	Car Accessories Manufacturer RM	Total RM	
<u>Sales</u>								
Total sales	4,581,302	13,208,471	50,903,546	2,054,011	15,000,120	510,417	86,257,867	
Intersegment sales	-	-	-	(2,054,011)	(15,000,120)	(457,276)	(17,511,407)	
External sales	<u>4,581,302</u>	<u>13,208,471</u>	<u>50,903,546</u>	-	-	<u>53,141</u>	<u>68,746,460</u>	
<u>Results</u>								
Profit / (loss) on operations	(636,788)	3,990,284	456,972	468,093	(337,581)	(1,885,450)	2,055,530	
Finance cost	(129,064)	(4,574)	(333,629)	(77,107)	(31,733)	(82,125)	(658,232)	
Profit before tax								
Taxation								
Net profit for the period								
Segment assets	8,119,151	13,845,511	41,744,229	14,392,766	4,464,190	1,442,562	84,008,409	
Segment liabilities	2,514,188	4,884,522	9,123,080	1,570,208	781,598	1,460,476	20,334,072	
Interest income	20	-	166,771	-	5,070	7,635	179,496	
Capital expenditure	8,170	249,245	597,734	205,144	-	153,535	1,213,828	
Depreciation and amortisation	169,239	21,029	1,171,854	200,643	71,726	140,664	1,775,155	

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 2012.

10. Subsequent events

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

On 31 January 2013, the Group entered into a share sale agreement to acquire 51% equity interest in Omni Green Sdn Bhd for a consideration of RM250,000. The transaction was completed on 22 February 2013.

12. Contingent liabilities and contingent assets

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

13. Performance review

For the current quarter ended 31 March 2013, the Group recorded revenue of RM23.6 million as compared to revenue of RM26.1 million registered in the preceding year's corresponding quarter. The decrease in revenue of RM2.6 million was mainly due to the property and construction segment (RM5.2 million) despite that revenue from the OEM segment increased by RM2.3 million.

For the current quarter under review, the Group recorded an after tax profit of RM0.652 million as compared to RM3.1 million from the preceding year's corresponding quarter. The decline in profit after tax was mainly due to lower revenue generated from the property and construction segment.

For the financial year ended 31 March 2013, the Group recorded revenue of RM91.5 million compared to revenue of RM68.7 million for the preceding year financial period ended 31 March 2012. This represents an increase of RM22.8 million or 33% over the preceding year financial period. The Group recorded an after tax profit of RM1.7 million compared to an after tax profit of RM1.2 million. The improvement in after tax profit was mainly due to the contribution by the OEM segments.

14. Quarterly results comparison

The Group recorded revenue of RM23.6 million for the current quarter, which was a slight decrease of RM0.5 million as compared to the preceding immediate quarter of RM24.1 million. The Group posted a profit after tax of RM0.652 million for the current quarter as compared to RM0.356 million in the immediate preceding quarter. The improvement in after tax profit of RM0.296 million was due to higher operational costs incurred in the preceding immediate quarter.

15. Prospects for the current financial year

The current global economic conditions and the volatility of the foreign currency exchange rates are some but challenges that the Group expects to continue to face. In view of this, the Group's performance will largely depend on market demand, operating efficiencies and cost control measures of its various operations and the Group will continue to adopt prudent measures so as to mitigate the adverse impact these challenges may have on the Group's results.

16. Profit forecast and profit guarantee

Not applicable.

17. Taxation

	Current Year Quarter 31.03.2013 RM	Preceding Year Corresponding Quarter 31.03.2012 RM	Current Year To Date 31.03.2013 RM	Preceding Corresponding Year to Date 31.03.2012 RM
Taxation				
- current year	(34,370)	371,381	57,520	167,158
- prior year	(803)	(15,457)	(175,787)	(15,457)
Deferred taxation				
- current year	220,645	(43,819)	603,539	80,541
Tax charge / (credit)	<u>185,472</u>	<u>312,105</u>	<u>485,272</u>	<u>232,242</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 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 December 2012, the Group has paid RM1,363,760 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 31 January 2013, the Group entered into a share sale agreement to acquire 51% equity interest in Omni Green Sdn Bhd for a consideration of RM250,000. The transaction was completed on 22 February 2013.
- (c) At the Extraordinary General Meeting held on 6 February 2013, the shareholders of Caely Holdings Bhd approved the Group to diversify and expand its business to property development and construction.

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 March 2013 are as follows:

	Current RM	Non-current RM	Total RM
<u>Ringgit Malaysia</u>			
Secured	2,503,584	5,203,814	7,707,398
Unsecured	4,610,346	0	4,610,346
	<u>7,113,930</u>	<u>5,203,814</u>	<u>12,317,744</u>
<u>US Dollar</u>			
Secured	2,029,625	0	2,029,625
	<u>9,143,555</u>	<u>5,203,814</u>	<u>14,347,369</u>

21. Derivative financial instruments

The derivative instruments for foreign currency forward contracts and option forward contracts are as follows:

Derivative financial instruments (Continued)

	Contract / Notional amount RM	Fair value as at 31.03.2013 RM	Fair value Gain / (loss) as at 31.03.2013 RM
Foreign currency forward contracts			
- less than 1 year	2,838,729	2,830,893	7,836
Option forward contracts			
- less than 1 year	1,878,000	1,877,609	391

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 2012.

22. Fair value changes of financial liabilities

As at 31 March 2013, 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 nine months ended 31 March 2013.

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.

Earnings per share (Continued)

	Current Year Quarter 31.03.2013	Preceding Year Corresponding Quarter 31.03.2012	Current Year To Date 31.03.2013	Preceding Corresponding Year to Date 31.03.2012
Net profit / (loss) for the period (RM)	652,293	3,097,310	1,681,260	1,165,056
Weighted average number of ordinary shares in issue ('000)	80,000	80,000	80,000	80,000
Basic earnings per share (sen)	0.8	3.9	2.1	1.4
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 2013, there was no capital commitment for the purchase of property, plant and equipment not provided for in the interim financial statements.

27. Disclosure of realised and unrealised retained earnings

	Current Year to Date 31.03.2013 RM	As at the End of Financial Year 31.03.2012 RM
Total retained earnings of the Company and its subsidiaries		
Realised	40,316,699	33,700,293
Unrealised	(1,284,334)	(888,282)
	<u>39,032,365</u>	<u>32,812,011</u>
Less: Consolidation adjustments	(29,857,072)	(25,319,231)
Total Group retained earnings as per consolidated accounts	<u>9,175,293</u>	<u>7,492,780</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 31.03.2013	Current Year To Date 31.03.2013
(a) Interest income	33,897	152,425
(b) Other income including investment income	24,082	56,489
(c) Interest expense	131,014	564,469
(d) Depreciation and amortisation	380,063	1,596,244
(e) Provision for and write off of receivables	109,826	115,655
(f) Provision for and write off of inventories	(24,381)	1,150,097
(g) Gain/(Loss) on disposal of quoted or unquoted investments or properties	16,830	15,362
(h) Impairment of assets	185,942	1,421
(i) Foreign exchange gain/(loss)	467,212	1,151,683
(j) Gain/(Loss) on derivatives	81,718	34,641
(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 **30 May 2013**.