



**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended	Corresponding quarter ended	Current year-to-date ended	Corresponding year-to-date ended
	30.09.2014 (RM'000) (UNAUDITED)	30.09.2013 (RM'000) (UNAUDITED)	30.09.2014 (RM'000) (UNAUDITED)	30.09.2013 (RM'000) (UNAUDITED)
1 Revenue	16,935	7,044	47,003	31,445
2 Cost of sales	(11,716)	(4,318)	(30,665)	(19,443)
3 Gross profit	5,219	2,726	16,338	12,002
4 Other income	607	597	1,567	1,896
5 Administrative and staffs expenses	(758)	(604)	(2,738)	(2,339)
6 Profit from operations	5,068	2,719	15,167	11,559
7 Finance cost	-	-	-	-
8 Profit before tax	5,068	2,719	15,167	11,559
9 Taxation	(1,257)	(553)	(3,962)	(2,902)
10 Profit for the period	3,811	2,166	11,205	8,657
<b>Attributable to :</b>				
Equity holders of the Company	3,811	2,166	11,205	8,657
11 Profit per share attributable to equity holders of the Company:				
(i) Basic earnings per ordinary shares (sen)	4.20	2.39	12.35	9.54
(ii) Diluted earnings per ordinary shares (sen)	N/A*	N/A*	N/A*	N/A*

\* Fully diluted EPS is not calculated as the impact is anti-dilutive

(The Condensed Consolidated Income Statement and Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2013 and the accompanying explanatory notes attached to the Interim Financial Statements)



**FUTUTECH BERHAD (122592-U)**  
(Incorporated in Malaysia)

**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended	Corresponding quarter ended	Current year-to-date ended	Corresponding year-to-date ended
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)
1 Profit for the period	3,811	2,166	11,205	8,657
2 Other Comprehensive Income/(Expense):				
- Foreign currency translation differences	3	-	(11)	(14)
3 Total comprehensive income for the period	<u>3,814</u>	<u>2,166</u>	<u>11,194</u>	<u>8,643</u>
<b>Attributable to :</b>				
Equity holders of the Company	<u>3,814</u>	<u>2,166</u>	<u>11,194</u>	<u>8,643</u>

(The Condensed Consolidated Income Statement and Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2013 and the accompanying explanatory notes attached to the Interim Financial Statements)



**FUTUTECH BERHAD (122592-U)**  
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**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As at 30.09.2014 (RM'000) (UNAUDITED)</b>	<b>As at 31.12.2013 (RM'000) (RESTATED)</b>
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, Plant and Equipment	7,664	6,721
Investment Properties	1,615	-
Other Investments	43	43
Intangible Assets	27	37
Trade Debtors	5,903	7,667
Deferred tax assets	268	334
	<b>15,520</b>	<b>14,802</b>
<b>Current Assets</b>		
Inventories	3,188	2,769
Trade Debtors	34,254	15,554
Property Development Costs	32,619	10,607
Other Debtors, Deposits and Prepayments	6,694	4,442
Tax Recoverables	72	707
Cash and Bank Balances	19,545	59,114
	<b>96,372</b>	<b>93,193</b>
<b>TOTAL ASSETS</b>	<b>111,892</b>	<b>107,995</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Equity Holders of the Company</b>		
Share Capital	45,369	45,369
Other Reserves	296	307
Accumulated Profit	44,207	35,724
	<b>89,872</b>	<b>81,400</b>
<b>Non Current Liabilities</b>		
Trade Payables	7,737	4,155
Deferred tax liabilities	563	368
	<b>8,300</b>	<b>4,523</b>
<b>Current Liabilities</b>		
Trade Payables	7,328	21,019
Other Payables, Accruals and Liabilities	3,717	1,053
Provision for Taxation	2,675	-
	<b>13,720</b>	<b>22,072</b>
<b>Total Liabilities</b>	<b>22,020</b>	<b>26,595</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>111,892</b>	<b>107,995</b>
Net Assets Per Share (based on ordinary shares of RM0.50 each) (RM)	0.99	0.90

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2013 and the accompanying explanatory notes attached to the Interim Financial Statements)



**FUTUTECH BERHAD (122592-U)**  
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**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Attributable to Equity Holders of the Company			Total Equity RM'000
	<----- Non-Distributable ----->			
	Share Capital RM'000	Other Reserves RM'000	Accumulated Profits RM'000	
<b>9 MONTHS PERIOD ENDED 30 SEPTEMBER 2014</b>				
Balance as at 1 January 2014	45,369	307	35,724	81,400
Total Comprehensive Income for the period	-	(11)	11,205	11,194
Dividend payable during the year	-	-	(2,722)	(2,722)
Balance as at 30 September 2014	45,369	296	44,207	89,872
<b>9 MONTHS PERIOD ENDED 30 SEPTEMBER 2013</b>				
Balance as at 1 January 2013	45,369	311	26,951	72,631
Total Comprehensive Income for the period	-	(14)	8,657	8,643
Balance as at 30 September 2013	45,369	297	35,608	81,274

**(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2013 and the accompanying explanatory notes attached to the Interim Financial Statements)**



**FUTUTECH BERHAD (122592-U)**  
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**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

**CONDENSED CONSOLIDATED CASHFLOW STATEMENT**

	<b>Current year-to-date ended 30.09.2014 (RM'000)</b>	<b>Corresponding year-to-date ended 30.09.2013 (RM'000)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	15,167	11,559
Adjustment for :		
Amortisation and depreciation of property, plant and equipments	778	802
Non-cash items	(1,448)	(1,353)
Operating Profit Before Working Capital Changes	14,497	11,008
Changes in working capital :		
Net change in operating assets	(24,927)	12,497
Net change in operating liabilities	(24,139)	(26,710)
Net Cash Used in Operations	(34,569)	(3,205)
Income tax paid	(493)	(274)
Income tax refunded	102	110
Interest received	1,448	1,382
Net Cash Used in Operating Activities	(33,512)	(1,987)
<b>CASH FLOW FROM INVESTING ACTIVITY</b>		
Acquisition of property, plant and equipments and investment properties	(3,324)	(292)
Net Cash Used In Investing Activity	(3,324)	(292)
<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
	-	-
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(39,558)	(2,279)
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	(11)	(14)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	59,114	60,759
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	19,545	58,466

(The Condensed Consolidated Cashflow Statements should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2013 and the accompanying explanatory notes attached to the Interim Financial Statements)



**FUTUTECH BERHAD (122592-U)**  
**(Incorporated in Malaysia)**

**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

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**INFORMATION REQUIRED BY MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134**

**A1. Corporate Information**

Fututech Berhad is a public limited company incorporated and domiciled in Malaysia, and is listed on the Bursa Malaysia Securities Berhad. The registered office is located at No. 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor. The principal place of business is located at No.1, 2nd Floor, Bangunan One Wangsa, Jalan Wangsa Permai, Taman Wangsa Permai, 52200 Kuala Lumpur.

**A2. Malaysian Financial Reporting Standards ("MFRS")**

These condensed consolidated interim financial statements, for the period ended 30 September 2014, 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 statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standard Board.

These condensed consolidated interim financial statements have been prepared by applying accounting policies and method of computation consistent with those used in the preparation of the audited financial statements of the Group as at 31 December 2013, except for the adoption of the following new and revised Standards and Amendments.

<u>Description</u>	<u>Effective for annual period beginning on or after</u>
MFRS 132 Financial Instruments: Presentation (Amendments relating to Offsetting Financial Assets and Financial Liabilities)	1st January, 2014
MFRS 136 Impairment of Assets (Amendments relating to Recoverable Amount Disclosures for Non-Financial Assets)	1st January, 2014
MFRS 139 Financial Instruments: Recognition and Measurement (Novation of Derivatives and Continuation of Hedge Accounting)	1st January, 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127	1st January, 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127 relating to Investment Entities	1st January, 2014



**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

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**A2. Malaysian Financial Reporting Standards ("MFRS") (cont'd)**

The adoption of abovementioned Standards and Amendments will have no material impact to the financial statements of the Group and of the Company excepts for more extensive disclosures in the financial statements.

**A3. Audit Report**

The audited financial statements for the preceding financial year ended 31 December 2013 were not subject to any qualification.

**A4. Seasonal or Cyclical Factors**

The principal business operations of the Group are not significantly affected by any seasonal or cyclical factors.

**A5. Unusual Items**

There were no unusual items in the current quarter under review and the financial period that affecting the assets, liabilities, equity, net income or cashflow of the Group.

**A6. Changes in Estimates**

There were no significant changes in estimates that have a material effect to the current quarter under review and the financial period.

**A7. Debt and Equity Securities**

There were no other issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares by the Group during the financial period.

**A8. Dividends Paid**

No dividend has been paid during the current quarter under review and the financial period.

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

**A9. Segmental Information**

**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

	Construction (RM'000)	Manufacturing (RM'000)	Property Development (RM'000)	Others (RM'000)	Elimination (RM'000)	Total (RM'000)
External Revenue	39,876	7,127	-	-	-	47,003
Inter Segment Revenue	16,104	3,309	-	-	(19,413)	-
	55,980	10,436	-	-	(19,413)	47,003
<b>RESULTS</b>						
Segmental Results	7,467	4,265	(20)	3,934	(4,441)	11,205
<b>OTHER INFORMATION</b>						
Segmental Assets	64,152	83,055	28,106	39,118	(102,539)	111,892
Segmental Liabilities	51,033	63,832	27,643	43,111	(163,599)	22,020

**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2013**

	Construction (RM'000)	Manufacturing (RM'000)	Property Development (RM'000)	Others (RM'000)	Elimination (RM'000)	Total (RM'000)
External Revenue	29,075	2,370	-	-	-	31,445
Inter Segment Revenue	19,245	7,976	-	-	(27,221)	-
	48,320	10,346	-	-	(27,221)	31,445
<b>RESULTS</b>						
Segmental Results	8,481	535	-	(359)	-	8,657
<b>OTHER INFORMATION</b>						
Segmental Assets	65,648	92,250	11,301	38,339	(91,796)	115,742
Segmental Liabilities	75,679	59,378	11,312	41,334	(153,235)	34,468

As the business of the Group is engaged entirely in Malaysia, no reporting by geographical location of operation is presented.



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

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**A9. Segmental Information (contd.)**

For management purposes, the Group is organised into business units based on their products and services, and has four (4) reportable operating segments as follow:

(i) Construction - Supply and installation of aluminium and glazing works, stone works, interior fixtures, fittings, lightings, cabinetry and related products, provision of contract workmanship and general building works and related services.

(ii) Manufacturing - Manufacture, assemble, installation and sale of light fittings, furniture, kitchen cabinetry and related products.

(iii) Property Development - Development of residential and/or commercial properties.

(iv) Others - Investment holding, properties development and dormant companies.

**Segment performance for the financial period ended 30 September 2014 as compared to corresponding preceding period ended 30 September 2013**

**(i) Construction**

The construction segment recorded a revenue of RM39.88 million for the current financial period as compared to the corresponding preceding financial period of RM29.08 million. Revenue has registered an increase in current financial period as more on going projects have accelerated their momentum while some projects are nearing completion stage. This is compared to the corresponding preceding financial period where several projects were at their finalisation stage. Segmental profit has decreased from RM8.48 million in the corresponding preceding financial period to segmental profit of RM7.47 million for the current financial period as some lower margin construction projects being carried out during the period.

**(ii) Manufacturing**

Manufacturing segment recorded a revenue of RM7.13 million for the current financial period as compared to the corresponding preceding period of RM2.37 million. The increase in revenue had led to the increase in segmental result from a profit of RM535 thousand in the corresponding preceding financial period to RM4.27 million in the current financial period. Higher revenue was being recognised as there were more projects secured during the period as compared to previous financial period. The inter-segment revenue was derived from progressive revenue of manufacturing of kitchen cabinetry and related products to inter-company for construction purpose. These have been eliminated at the group level.

**(iii) Property Development**

Property development recorded a segmental loss of RM20 thousand being the operating expenses incurred during the financial period which were not eligible to be capitalised as property development cost in the statement of financial position.

**(iv) Others**

Others refer to investment holding and dormant companies. The segmental loss of RM266 thousand after elimination entries being the operating expenses incurred during the financial period.



**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

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**A10. Profit Before Tax**

	<b>Individual Quarter 30.09.2014 (RM'000)</b>	<b>Cumulative Quarter 30.09.2014 (RM'000)</b>
Amortisation and depreciation of property, plant and equipment	276	778
Interest income	624	1,448
Realised foreign exchange loss	2	10

Other than the above items, there were no exceptional items that affecting the assets, liabilities, equity, net income or cashflow of the Group during the current quarter under review.

**A11. Subsequent Events**

As at the date of this report, there were no material events subsequent to the balance sheet date that affect the results of the Group for the financial period.

**A12. Changes in Composition of the Group**

There were no changes in the composition of the Group during the quarter under review and as at the financial period.

**A13. Changes in Contingent Liabilities or Contingent Assets**

As at the date of this report, the Company has given corporate guarantees amounting to RM8.71 million for credit facilities granted to certain subsidiary companies or in lieu of performance bond requested by client.

Other than as disclosed above, there were no other changes in the contingent liabilities or assets since the last financial year ended 31 December 2013.

**A14. Capital Commitments**

As at the date of this report, the Group has no material capital commitments.



**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. Review of Performance**

For the current individual quarter under review, the Group recorded a revenue of RM16.94 million as compared to the corresponding preceding year individual quarter of RM7.04 million. Coupled with the increase in revenue, Profit Before Tax ("PBT") of current individual quarter under review was RM5.07 million, representing an increase of RM2.35 million from its corresponding preceding year individual quarter of RM2.72 million.

The Group achieved a PBT of RM15.17 million for financial period ended 30 September 2014 as compared to previous year to date of RM11.56 million. The overall increase in revenue and PBT were mainly due to higher percentage of recognition which was reflected by higher progress work done on on going projects and new projects

**B2. Change in Results of Current Quarter Compared to Preceding Quarter**

	<b>Current Quarter ended 30.09.2014 (RM'000)</b>	<b>Preceding Quarter ended 31.06.2014 (RM'000)</b>
Revenue	16,935	18,611
Profit before tax	5,068	6,090

For the current quarter under review, the Group recorded a revenue and PBT of RM16.94 million and RM5.07 million respectively as compared to RM18.61 million and RM6.09 million respectively in its immediate preceding quarter. This reflected a decrease in revenue of RM1.68 million and PBT of RM1.02 million respectively.

**B3. Current Year Prospects**

With the completion and nearing completion of many previous construction projects in year 2012/2013, the Group will continue its construction activities with an added business of property development this year. The Group is targeting to launch it's maiden property development project in the second half of the year whilst exploring new opportunities to diversify its business prospects.

Barring any unforeseen circumstances, the Group is positive and cautiously optimistic of its overall business performance going forward.

**B4. Profit Forecast**

There were no profit forecast prepared or profit guarantee made by the Group.



**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

**B5. Taxation**

	<b>Individual Quarter 30.09.2014 (RM'000)</b>	<b>Cumulative Quarter 30.09.2014 (RM'000)</b>
Malaysia income tax		
- current year	1,259	3,730
- in respect of previous years	(19)	(28)
	<u>1,240</u>	<u>3,702</u>
Deferred tax		
- current year	17	266
- in respect of previous years	-	(6)
	<u>1,257</u>	<u>3,962</u>

The effective tax rate of the Group for income tax in the current financial period is higher than the statutory tax rate of 25% due mainly to certain expenses not deductible. Accumulated tax losses brought forward from previous years have been fully utilised in financial year 2012/2013.

**B6. Quoted Securities**

There were no quoted securities as at the financial period.

**B7. Group Borrowings and Debt Securities**

There were no borrowings and debts securities as at the financial period.

**B8. Status of Corporate Proposals announced**

There is no corporate proposal announced but not complete as at current quarter under review and the financial period.

**B9. Changes in Material Litigation**

As at the date of this report, there were no pending material litigation for the Group.

**B10. Dividend**

No interim dividend has been declared for the current quarter under review and financial period.

On 26 August 2014, the Board of Directors has approved a single-tier interim dividend of 6% per ordinary share (based on ordinary share of RM0.50 each), in respect of the current financial year ending 31 December 2014. The total amount payable is approximately RM2.72 million. The payment date for the said dividend has been set on 10 October 2014.



**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

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**B11. Derivatives and Fair Value Changes of Financial Liabilities**

- (a) There were no derivatives as at the current quarter under review and financial period.
- (b) There were no fair value gain/(loss) on fair value changes of financial liabilities for the current quarter under review and financial period.

**B12. Sales of unquoted investments and/or properties**

There were no sales of unquoted investments and/or properties as at current quarter under review and financial period.

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

**B13. Earnings Per Share**

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
<b>Earnings</b>				
Profit attributable to equity holders of the Company (RM'000)	3,811	2,166	11,205	8,657
<b>a) Basic</b>				
Weighted average number of ordinary shares ('000)	90,737	90,737	90,737	90,737
<b>Basic Profit per share attributable to equity holders of the Company (Sen)</b>	4.20	2.39	12.35	9.54
<b>b) Diluted</b>				
Weighted average number of ordinary shares (diluted) ('000)	N/A*	N/A*	N/A*	N/A*
<b>Fully diluted earnings / (losses) per share attributable to equity holders of the parent (Sen)</b>	N/A*	N/A*	N/A*	N/A*

\* Fully diluted EPS is not calculated as the impact is anti-dilutive



**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

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**B14. Realised and Unrealised Profit / Losses Disclosure**

On 25 March 2010, Bursa Malaysia Securities Berhad (“Bursa Securities”) had issued directives to all listed issuers pursuant to Paragraph 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose a breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into unrealised profits or losses.

Bursa Securities, had on 20 December 2010 further issued guidance on the disclosure and the prescribed format of presentation.

Pursuant to the directives issued, the disclosure of the Group's realised and unrealised profit / losses is as follows:

	<b>As at 30.09.2014 (RM'000)</b>	<b>As at 31.12.2013 (RM'000) RESTATED</b>
Total accumulated losses of the Group:		
- Realised	(20,855)	(31,647)
- Unrealised	261	2,329
	<u>(20,594)</u>	<u>(29,318)</u>
Less: Consolidated Adjustments	64,801	65,042
Total accumulated profits	<u>44,207</u>	<u>35,724</u>

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No.1 “Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements”, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profit is solely for the purpose of complying with the disclosure requirements stipulated in the directives of Bursa Securities and not to be applied for any other purposes.