



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

UNAUDITED 1ST QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.03.2015 (RM'000)	Corresponding quarter ended 31.03.2014 (RM'000)	Current year-to-date ended 31.03.2015 (RM'000) (UNAUDITED)	Corresponding year-to-date ended 31.03.2014 (RM'000) (UNAUDITED)
1 Revenue	15,448	11,457	15,448	11,457
2 Cost of sales	(10,211)	(7,100)	(10,211)	(7,100)
3 Gross profit	5,237	4,357	5,237	4,357
4 Other income	338	530	338	530
5 Administrative and staffs expenses	(615)	(878)	(615)	(878)
6 Profit from operations	4,960	4,009	4,960	4,009
7 Finance cost	-	-	-	-
8 Profit before tax	4,960	4,009	4,960	4,009
9 Taxation	(1,288)	(1,057)	(1,288)	(1,057)
10 Profit for the year	3,672	2,952	3,672	2,952
Attributable to :				
Equity holders of the Company	3,672	2,952	3,672	2,952
11 Profit per share attributable to equity holders of the Company:				
(i) Basic earnings per ordinary shares (sen)	4.05	3.25	4.05	3.25
(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 2014 and the accompanying explanatory notes attached to the Interim Financial Statements)



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

UNAUDITED 1ST QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.03.2015 (RM'000)	Corresponding quarter ended 31.03.2014 (RM'000)	Current year-to-date ended 31.03.2015 (RM'000) (UNAUDITED)	Corresponding year-to-date ended 31.03.2014 (RM'000) (UNAUDITED)
1 Profit for the year	3,672	2,952	3,672	2,952
2 Other Comprehensive Income/(Expense):				
- Foreign currency translation differences	(2)	(10)	(2)	(10)
3 Total comprehensive income for the year	<u>3,670</u>	<u>2,942</u>	<u>3,670</u>	<u>2,942</u>
Attributable to :				
Equity holders of the Company	<u>3,670</u>	<u>2,942</u>	<u>3,670</u>	<u>2,942</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 2014 and the accompanying explanatory notes attached to the Interim Financial Statements)



FUTUTECH BERHAD (122592-U)
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UNAUDITED 1ST QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.03.2015 (RM'000) (UNAUDITED)	As at 31.12.2014 (RM'000) (AUDITED)
ASSETS		
Non Current Assets		
Property, Plant and Equipment	7,707	7,374
Investment Properties	1,811	1,555
Other Investments	43	43
Intangible Assets	20	24
Trade Debtors	9,801	9,561
Deferred tax assets	274	259
	19,656	18,816
Current Assets		
Inventories	42,338	37,042
Trade Debtors	26,350	17,849
Other Debtors, Deposits and Prepayments	8,889	11,440
Tax Recoverables	65	65
Cash and Bank Balances	22,369	28,627
	100,011	95,023
TOTAL ASSETS	119,667	113,839
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share Capital	45,369	45,369
Other Reserves	295	297
Accumulated Profit	52,046	48,374
	97,710	94,040
Non Current Liabilities		
Trade Payables	4,741	2,681
Deferred tax liabilities	500	525
	5,241	3,206
Current Liabilities		
Trade Payables	14,654	14,113
Other Payables, Accruals and Liabilities	687	1,556
Provision for Taxation	1,375	924
	16,716	16,593
Total Liabilities	21,957	19,799
TOTAL EQUITY AND LIABILITIES	119,667	113,839
Net Assets Per Share (based on ordinary shares of RM0.50 each) (RM)	1.08	1.04

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2014 and the accompanying explanatory notes attached to the Interim Financial Statements)



FUTUTECH BERHAD (122592-U)
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UNAUDITED 1ST QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

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	
3 MONTHS PERIOD ENDED 31 MARCH 2015				
Balance as at 1 January 2015	45,369	297	48,374	94,040
Total Comprehensive Income for the year	-	(2)	3,672	3,670
Balance as at 31 March 2015	45,369	295	52,046	97,710
3 MONTHS PERIOD ENDED 31 MARCH 2014				
Balance as at 1 January 2014	45,369	307	35,724	81,400
Total Comprehensive Income for the year	-	(10)	2,952	2,942
Balance as at 31 March 2014	45,369	297	38,676	84,342

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2014 and the accompanying explanatory notes attached to the Interim Financial Statements)



FUTUTECH BERHAD (122592-U)
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UNAUDITED 1ST QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

	Current year-to-date ended 31.03.2015 (RM'000)	Corresponding year-to-date ended 31.03.2014 (RM'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,960	4,009
Adjustment for :		
Amortisation and depreciation of property, plant and equipments	297	249
Non-cash items	(182)	(396)
Operating Profit Before Working Capital Changes	<u>5,075</u>	<u>3,862</u>
Changes in working capital :		
Net change in operating assets	(9,972)	(20,479)
Net change in operating liabilities	219	(9,076)
Net Cash Used in Operations	<u>(4,678)</u>	<u>(25,693)</u>
Income tax paid	(877)	(373)
Income tax refunded	-	102
Interest received	181	527
Net Cash Used in Operating Activities	<u>(5,374)</u>	<u>(25,437)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipments	(626)	(823)
Acquisition of investment properties	(256)	-
Proceeds from disposal of property, plant and equipments	-	-
Net Cash Used In Investing Activities	<u>(882)</u>	<u>(823)</u>
CASH FLOW FROM FINANCING ACTIVITY		
Net Cash Used In Financing Activity	<u>-</u>	<u>-</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(6,256)	(26,260)
EFFECT OF EXCHANGE RATE CHANGES	(2)	(10)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	28,627	59,114
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>22,369</u>	<u>32,844</u>

(The Condensed Consolidated Cashflow Statements should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2014 and the accompanying explanatory notes attached to the Interim Financial Statements)



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

UNAUDITED 1ST QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

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 year ended 31 March 2015, 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 2014, 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 119 Employee Benefits (Amendments relating to Defined Benefit Plans: Employee Contributions)	1st July, 2014
Amendments to MFRSs contained in the document entitled Annual Improvements 2010-2012 Cycle	1st July, 2014
Amendments to MFRSs contained in the document entitled Annual Improvements 2011-2013 Cycle	1st July, 2014



UNAUDITED 1ST QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

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 2014 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 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.

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.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

A9. Segmental Information

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

	Construction (RM'000)	Manufacturing (RM'000)	Property Development (RM'000)	Others (RM'000)	Elimination (RM'000)	Total (RM'000)
External Revenue	12,584	2,864	-	-	-	15,448
Inter Segment Revenue	6,142	-	-	-	(6,142)	-
	18,726	2,864	-	-	(6,142)	15,448

RESULTS

Segmental Results	2,944	760	(6)	(26)	-	3,672
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OTHER INFORMATION

Segmental Assets	65,134	87,469	30,242	36,401	(99,579)	119,667
Segmental Liabilities	49,665	62,938	29,788	40,747	(161,181)	21,957

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

	Construction (RM'000)	Manufacturing (RM'000)	Property Development (RM'000)	Others (RM'000)	Elimination (RM'000)	Total (RM'000)
External Revenue	11,398	59	-	-	-	11,457
Inter Segment Revenue	4,377	1,603	-	-	(5,980)	-
	15,775	1,662	-	-	(5,980)	11,457

RESULTS

Segmental Results	3,455	(368)	(3)	(113)	(19)	2,952
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OTHER INFORMATION

Segmental Assets	55,039	84,893	27,484	35,617	(96,611)	106,422
Segmental Liabilities	50,395	60,778	27,005	41,797	(157,895)	22,080

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 31 MARCH 2015

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 aluminum 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 31 March 2015 as compared to corresponding preceding period ended 31 March 2014

(i) Construction

The construction segment recorded a revenue of RM12.58 million for the current quarter under review as compared to the corresponding preceding financial quarter of RM11.40 million. Despite the marginal rise in revenue, the segmental profit has reduced marginally from RM3.46 million in the corresponding preceding financial quarter to RM2.94 million in the current financial quarter. The reduction in segmental profit was mainly due to certain lower margin construction works that were being carried out since the previous financial year.

(ii) Manufacturing

Our manufacturing segment recorded a revenue of RM2.86 million for the current quarter under review as compared to its corresponding preceding financial quarter of RM59 thousand. The significant increase in revenue had led to the increase in segmental result from a loss of RM368 thousand in the corresponding preceding financial quarter to a profit of RM760 thousand in the current quarter under review. Revenue was being recognised from the progress work of projects that were secured previously which have accelerated in their momentum. The inter-segment revenue was derived from progressive revenue of manufacturing of kitchen cabinetry and related products to inter-company for construction purpose. This revenue has been eliminated at the group level.

(iii) Property Development

The property development division recorded a segmental loss of RM6 thousand. This was a result of operating expenses that have been incurred during the financial quarter under review 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 RM26 thousand was registered after the elimination entries were incurred during the financial quarter under review.



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

A10. Profit Before Tax

	Individual Quarter 31.03.2015 (RM'000)	Cumulative Quarter 31.03.2015 (RM'000)
Amortisation and depreciation of property, plant and equipment	297	297
Interest income	181	181
Realised foreign exchange gain	3	3

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.

A13. Changes in Contingent Liabilities or Contingent Assets

As at the date of this report, the Company has given corporate guarantees amounting to RM9.61 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 2014.

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 31 MARCH 2015

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Performance

For the current quarter under review, the Group posted a revenue of RM15.45 million as compared to its corresponding preceding quarter of RM11.46 million. The increase in revenue of RM3.99 million were respectively contributed by construction segment of RM1.18 million and kitchen manufacturing segment of RM2.81 million. In line with the increase in revenue, the Profit Before Tax of the current quarter under review also recorded a marginal rise to RM4.96 million, from RM4.01 million as reported in its corresponding preceding quarter. The overall increase in revenue and PBT were mainly due to higher percentage of revenue recognition which was reflected by higher progress work done on on-going construction projects as well as contribution from kitchen manufacturing projects that were secured previously.

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

	Current Quarter ended 31.03.2015 (RM'000)	Preceding Quarter ended 31.12.2014 (RM'000)
Revenue	15,448	15,243
Profit before tax	4,960	5,225

For the current quarter under review, the Group recorded a revenue and PBT of RM15.45 million and RM4.96 million respectively as compared to RM15.24 million and RM5.23 million respectively in its immediate preceding quarter. The marginal decrease in PBT mainly due to certain lower margin construction works that were being carried out.

B3. Current Year Prospects

The year 2015 may present a more challenging outlook in comparison to previous years. We will continue to exercise vigilance and prudence in achieving our objectives whilst seeking opportunities to expand our business activities. We believe that with the recent announcement on the proposed acquisition by the Group of 2 targeted construction companies will help us to do so as such opportunity will enable our Group, amongst others, to enlarge our construction book orders, improve profitability, acquire specialize and technical skills and greatly expand our network of resources.

Upon the completion of the proposed acquisition, the Group believes that it will allow us to participate in substantially larger projects, gain access to first tier developer/customer base, equipped with an extensive track record, enhance competitiveness and the overall market standing of the Group in the construction industry.

Notwithstanding the Group's objective to expand its core business in construction, it will continue to explore property development and manufacturing based opportunities as part of its integrated business objective and strategy.

Barring any unforeseen circumstances, the Group is cautiously optimistic but positive on its overall businesses moving forward.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

B4. Profit Forecast

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

B5. Taxation

	Individual Quarter 31.03.2015 (RM'000)	Cumulative Quarter 31.03.2015 (RM'000)
Malaysia income tax		
- current year	1,328	1,328.05
- in respect of previous years	-	-
	<u>1,328</u>	<u>1,328</u>
Deferred tax		
- current year	(40)	(40)
- in respect of previous years	-	-
	<u>1,288</u>	<u>1,288</u>

The effective tax rate of the Group for income tax in the current financial year is higher than the statutory tax rate of 25% due mainly to certain expenses not deductible.

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

On 6 February 2015, the Board of Directors of the Company announced that the Company had entered into a Heads of Agreement with Datuk Tee Eng Ho, Datin Toh Siew Chuon and Mr. Tee Eng Seng ("Vendors") to explore and negotiate further with the Vendors on a proposed acquisition by the Company of the entire issued and paid-up share capital of each Kerjaya Prospek (M) Sdn. Bhd. ("KPSB") and Permatang Bakti Sdn. Bhd. ("PBSB") from the Vendors for an indicative purchase consideration of RM380 million ("Proposed Injection"). The indicative purchase consideration will be satisfied via a combination of new shares issuance and cash. Upon completion of the corporate proposal, KPSB and PBSB will be the wholly-owned subsidiaries of the Company.



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

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.

On 26 May 2015, 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 2015. The total amount payable is approximately RM2.72 million. The payment date for the said dividend has been set on 15 July 2015.

B11. Derivatives and Fair Value Changes of Financial Liabilities

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

B12. Sales of unquoted investments and/or properties

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



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

B13. Earnings Per Share

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Earnings				
Profit attributable to equity holders of the Company (RM'000)	3,672	2,952	3,672	2,952
a) Basic				
Weighted average number of ordinary shares ('000)	90,737	90,737	90,737	90,737
Basic Profit per share attributable to equity holders of the Company (Sen)	4.05	3.25	4.05	3.25
b) Diluted				
Weighted average number of ordinary shares (diluted) ('000)	N/A*	N/A*	N/A*	N/A*
Fully diluted earnings / (losses) per share attributable to equity holders of the parent (Sen)	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 31 MARCH 2015

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:

	As at 31.03.2015 (RM'000) UNAUDITED	As at 31.12.2014 (RM'000) AUDITED
Total accumulated losses of the Group:		
- Realised	(12,971)	(17,036)
- Unrealised	(40)	369
	<u>(13,011)</u>	<u>(16,667)</u>
Less: Consolidated Adjustments	65,057	65,041
Total accumulated profits	<u>52,046</u>	<u>48,374</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.