

**DOMINANT ENTERPRISE BERHAD**  
**(Company No.221206-D)**  
**CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED)**  
**FOR THE FOURTH QUARTER ENDED 31 MARCH 2012**

	<u>FYE2012</u>	<u>FYE2011</u>	<u>FYE2012</u>	<u>FYE2011</u>
	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Quarter Ended 31.03.2012</b>	<b>Preceding Year Corresponding Quarter Ended 31.03.2011</b>	<b>Current Year To Date Ended 31.03.2012</b>	<b>Preceding Year Ended 31.03.2011</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	96,672	82,282	371,872	336,535
Profit from Operations	6,586	5,642	28,920	21,979
Interest Income	147	82	430	278
Interest Expense	(469)	(581)	(3,341)	(3,145)
Depreciation and Amortisation	(548)	(513)	(2,166)	(2,019)
Profit Before Tax	5,716	4,630	23,843	17,093
Income Tax Expense	(1,613)	(1,280)	(5,914)	(4,328)
Profit After Tax	4,103	3,350	17,929	12,765
<b>Other Comprehensive Income</b>				
Exchange differences on translating foreign operations	(147)	129	317	531
Gain on revaluation of properties	-	6,166	-	5,204
Gain on resale of treasury shares	81	-	81	-
<b>Total Comprehensive Income</b>	<b>4,037</b>	<b>9,645</b>	<b>18,327</b>	<b>18,500</b>
<b>Profit attributable to :</b>				
Equity holders of the Company	4,103	3,185	17,929	12,492
Non-Controlling Interest	-	165	-	273
	<b>4,103</b>	<b>3,350</b>	<b>17,929</b>	<b>12,765</b>
<b>Total comprehensive income attributable to :</b>				
Equity holders of the Company	4,037	9,480	18,327	18,227
Non-Controlling Interest	-	165	-	273
	<b>4,037</b>	<b>9,645</b>	<b>18,327</b>	<b>18,500</b>
Earning Per Share				
- Basic (sen)	3.22	2.57	14.23	10.06
- Diluted (sen)	3.18	2.52	14.10	9.86

**The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statement for the financial year ended 31st March 2011 and the accompanying explanatory notes to the interim financial reports.**

**DOMINANT ENTERPRISE BERHAD**  
**(Company No.221206-D)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	(Unaudited) As At 31 March 2012 RM'000	(Audited) As At 31 March 2011 RM'000
<b>ASSETS</b>		
<b><u>Non-Current Assets</u></b>		
Property, plant and equipment	62,799	61,482
Prepaid land lease payments	5,536	5,586
Goodwill	1,255	837
	<u>69,590</u>	<u>67,905</u>
<b><u>Current Assets</u></b>		
Inventories	60,093	74,852
Trade receivables	84,284	72,932
Other receivables and prepaid expenses	2,847	2,470
Cash and bank balances	23,551	16,016
	<u>170,775</u>	<u>166,270</u>
<b>TOTAL ASSETS</b>	<b><u>240,365</u></b>	<b><u>234,175</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b><u>Equity Attributable To Owners Of The Company</u></b>		
Issued capital	64,567	62,323
Treasury shares	-	(914)
Share premium	288	198
Other reserves	21,649	21,332
Retained Earning	62,033	53,021
	<u>148,537</u>	<u>135,960</u>
<b>Non-Controlling Interest</b>	-	1,678
<b>Total Equity</b>	<b><u>148,537</u></b>	<b><u>137,638</u></b>
<b><u>Non-Current Liabilities</u></b>		
Hire purchase payables	127	76
Finance lease payables	45	100
Bank borrowings	4,184	5,280
Deferred tax liabilities	2,599	2,552
	<u>6,955</u>	<u>8,008</u>
<b><u>Current Liabilities</u></b>		
Trade payables	16,550	17,988
Other payables and accrued expenses	5,774	5,040
Hire purchase payables	119	141
Finance lease payables	56	54
Bank borrowings	60,794	64,380
Tax liabilities	1,580	926
	<u>84,873</u>	<u>88,529</u>
<b>Total Liabilities</b>	<b><u>91,828</u></b>	<b><u>96,537</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>240,365</u></b>	<b><u>234,175</u></b>
Net assets per share (RM)	1.15	1.09

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2011 and the accompanying explanatory notes to the interim financial reports.

**DOMINANT ENTERPRISE BERHAD****(Company No.221206-D)****CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

	<u>Issued Capital</u> RM'000	<u>Treasury Shares</u> RM'000	<u>Share Premium</u> RM'000	<u>Other Reserves</u> RM'000	<u>Retained Earning</u> RM'000	<u>Total</u> RM'000	<u>Controlling Interest</u> RM'000	<u>Total Equity</u> RM'000
<b>Balance as at 1 April 2010</b>	62,081	(914)	196	15,597	45,444	122,404	1,405	123,809
Issuance of shares - pursuant to ESOS at exercise price of RM 0.50 per share	155	-	-	-	-	155	-	155
Issuance of shares - pursuant to ESOS at exercise price of RM 0.51 per share	87	-	2	-	-	89	-	89
Total comprehensive income for the year	-	-	-	5,735	12,492	18,227	273	18,500
Dividend	-	-	-	-	(4,915)	(4,915)	-	(4,915)
<b>Balance as at 31 March 2011</b>	<u>62,323</u>	<u>(914)</u>	<u>198</u>	<u>21,332</u>	<u>53,021</u>	<u>135,960</u>	<u>1,678</u>	<u>137,638</u>
<b>Balance as at 1 April 2011</b>	62,323	(914)	198	21,332	53,021	135,960	1,678	137,638
Issuance of shares - pursuant to ESOS at exercise price of RM 0.50 per share	1,804	-	-	-	-	1,804	-	1,804
Issuance of shares - pursuant to ESOS at exercise price of RM 0.51 per share	440	-	9	-	-	449	-	449
Resale of treasury shares	-	914	-	-	-	914	-	914
Total comprehensive income for the year	-	-	81	317	17,929	18,327	-	18,327
Acquisition of shares in subsidiary	-	-	-	-	-	-	(1,678)	(1,678)
Dividend	-	-	-	-	(8,917)	(8,917)	-	(8,917)
<b>Balance as at 31 March 2012</b>	<u>64,567</u>	<u>-</u>	<u>288</u>	<u>21,649</u>	<u>62,033</u>	<u>148,537</u>	<u>-</u>	<u>148,537</u>

**The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2011 and the accompanying explanatory notes to the interim financial reports.**

**DOMINANT ENTERPRISE BERHAD**  
(Company No.221206-D)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)**

	<b>Financial Year Ended 31.03.2012 RM'000</b>	<b>Financial Year Ended 31.03.2011 RM'000</b>
Profit for the year	17,929	12,765
<b>Adjustments for : -</b>		
Non-cash items	2,445	2,933
Non-operating items	2,306	2,255
Taxation	5,914	4,328
<i>Operating profit before changes in working capital</i>	<u>28,594</u>	<u>22,281</u>
<b>Changes in working capital</b>		
Net change in current assets	3,400	(22,383)
Net change in current liabilities	(739)	(2,018)
<i>Cash generated from / (used in) operations</i>	31,255	(2,120)
Income tax refunded	271	-
Interest paid	(240)	(388)
Income tax paid	(5,168)	(5,192)
<b>Net cash from / (used in) operating activities</b>	26,118	(7,700)
<i>Cash flows from / (used in) investing activities</i>		
Interest received	429	278
Proceeds from disposal of property, plant and equipment	61	2,151
Purchase of property, plant and equipment	(3,342)	(2,315)
Acquisition of share in subsidiary	(2,097)	-
<b>Net cash from / (used in) investing activities</b>	(4,949)	114
<i>Cash flows from / (used in) financing activities</i>		
Net proceeds from short-term borrowings	(4,213)	16,041
Dividends paid	(8,917)	(4,916)
Issue of shares	2,333	244
Resale of treasury shares	914	-
Interest paid on bank borrowings	(3,101)	(2,757)
Net proceeds from/ repayment of hire-purchase payables	29	(216)
Repayments of finance lease payables	(55)	117
Repayments of term loans	(383)	(1,412)
<b>Net cash from / (used in) financing activities</b>	(13,393)	7,101
<b>Net Changes in Cash &amp; Cash Equivalents</b>	7,776	(485)
Adjustment for foreign exchange differentials	8	(77)
Cash & Cash Equivalents at beginning of year	13,319	13,881
Cash & Cash Equivalents at end of year	<u>21,103</u>	<u>13,319</u>

\* Cash and cash equivalents at end of financial year comprise the following :

Cash and bank balances	23,551	16,016
Less: Bank overdrafts (included within short term borrowings in Note B6)	(2,448)	(2,697)
	<u>21,103</u>	<u>13,319</u>

**The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2011 and the accompanying explanatory notes to the interim financial reports.**

## UNAUDITED QUARTERLY REPORT ON FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2012

### Notes to the Interim Financial Report

#### **A1. Accounting Policies**

The interim financial reports are unaudited and have been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2011.

#### **A2. Change in Accounting Policies**

The accounting policies adopted are consistent with those in the audited financial statements for the financial year ended 31 March 2011. The Group and the Company have adopted all the new and amended FRS and Issues Committee Interpretations ("IC Int.") issued by the Malaysian Accounting Standards Board ("MASB") effective for annual financial periods beginning on or after 1 January 2010. The adoption have no significant impact on the financial statements of the Group.

#### **A3. Audit Qualification on Annual Financial Statements**

The audit report of the Group's annual Financial Statements for the financial year ended 31 March 2011 was not subject to any qualification.

#### **A4. Seasonal or Cyclical Factors**

The Group's business operations are not significantly affected by any seasonal or cyclical factors.

#### **A5. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial year.

#### **A6. Material Changes in Accounting Estimates**

Not applicable.

#### **A7. Debts and Equity Securities**

In the 4<sup>th</sup> Quarter ended 31 March 2012, 2,650,400 new ordinary shares were issued and allotted pursuant to the exercise of ESOS, of which, 1,947,000 share are allotted at an option price of RM 0.50, and 703,400 share are allotted at an option price of RM 0.51. A total of 4,487,800 new ordinary shares were issued and allotted during this financial year ended 31 March 2012.

On 1 March 2012, the Company has sold 1,442,700 treasury shares with net proceeds of RM 994,710. Gain arising from the resale of treasury shares was amounting to RM 80,797.

#### **A8. Dividend Paid**

A third interim dividend of 1 sen per share, single tier, in respect of financial year ending 31 March 2012, total amounting to RM 1,291,347 was paid by the company on 23 March 2012.

A special interim dividend of 3 sen per share, single tier, in respect of financial year ending 31 March 2012, total amounting to RM 3,874,040 was paid by the company on 23 March 2012.

**A9. Valuations of Property, Plant and Equipment**

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

**A10. Segmental Reporting**

	<u>Revenue</u>		<u>Segment Results</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Manufacturing of wood products	98,630	88,483	8,156	8,519
Distributing of wood products	305,382	281,468	19,812	12,722
Others	864	864	(386)	(434)
	<u>404,876</u>	<u>370,815</u>	<u>27,582</u>	<u>20,807</u>
Elimination	<u>(33,004)</u>	<u>(34,280)</u>	-	-
	<u>371,872</u>	<u>336,535</u>	27,582	20,807
Interest Income			430	278
Unallocated corporate expenses			(828)	(847)
Finance costs			<u>(3,341)</u>	<u>(3,145)</u>
Profit before tax			23,843	17,093
Income tax expense			<u>(5,914)</u>	<u>(4,328)</u>
Profit after tax			<u>17,929</u>	<u>12,765</u>

	<u>Assets</u>		<u>Liabilities</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Manufacturing of wood products	51,865	51,058	7,257	8,531
Distributing of wood products	149,668	149,024	14,418	14,079
Others	29,768	27,837	425	222
	<u>231,301</u>	<u>227,919</u>	<u>22,100</u>	<u>22,832</u>
Unallocated corporate assets / liabilities	<u>9,064</u>	<u>6,256</u>	<u>69,728</u>	<u>73,705</u>
Consolidated	<u>240,365</u>	<u>234,175</u>	<u>91,828</u>	<u>96,537</u>

**A11. Changes in the Composition of the Group**

There were no changes in composition of the Group for current quarter under review.

**A12. Subsequent Material Events**

There are no subsequent material events that are required to be reflected in the current quarter.

### **A13. Contingent Liabilities**

As of 31 March 2012, the Group has credit facilities from licensed banks, financial institutions and suppliers totalling RM 256.70 million (RM 250.93 million in December 2011) which are guaranteed by the Company. Accordingly, the Company is contingently liable to the extent of credit facilities utilised by its subsidiary companies as of year-end amounting to about RM 69.18 million (RM 76.72 million in December 2011).

### **A14. Capital Commitment**

As of 31 March 2012, the Group has the following capital commitments:

	<b>RM'000</b>
Approved and contracted for :	
Construction of factory building	1,800

### **Additional Information Required by the Bursa Malaysia Listing Requirements**

#### **B1. Review of the Performance**

For the fourth quarter ended 31 March 2012, the Group recorded a revenue of RM 96.67 million. This represented an increase of 17.49% as compared to RM 82.28 million in the preceding year corresponding quarter ended 31 March 2011. The profit before tax ("PBT") had also increased by 23.54% to RM 5.72 million.

For the financial year ended 31 March 2012, the Group recorded a revenue of RM 371.87 million. This represented an increase of 10.50% as compared to RM 336.54 million in the preceding year ended 31 March 2011. The profit before tax ("PBT") had also increased by 39.50% to RM 23.84 million.

#### **Manufacturing Division**

The revenue was recorded as RM 98.63 million for current financial year. This represented an increase of 11.47% as compared to RM 88.48 million in the preceding year ended 31 March 2011. The improvement in revenue was contributed by the new set up plant and the newly developed products.

However, the PBT was decreased to RM 8.16 million due to higher set up cost of the new plant and also the higher new product development cost.

#### **Distribution Division**

The revenue was recorded as RM 305.38 million for current financial year. This represented an increase of 8.50% as compared to RM 281.47 million in the preceding year ended 31 March 2011. The PBT was increased by 55.74% to RM 19.81 million in conjunction with the increase in revenue.

The improvement in PBT was mainly due to the rising selling price of plywood caused by the increasing demand after the Japan earthquake disaster as well as the results from the continuous focus on operational efficiencies.

#### **B2. Variation of Results Against Preceding Quarter**

For current quarter under review, the Group's revenue decreased by 5.33% as compare to RM 102.11 million in the preceding quarter ended 31 Dec 2011. The PBT has also decreased by 12.27% from RM 6.52 million to RM 5.72 million.

#### **B3. Prospects**

The global economic environment has remained uncertain with renewed concerns on sovereign debt crisis in Europe. The export to Europe market for the manufacturing products will become more challenging.

The increase of plywood demand from the aforesaid disaster was temporary hence the demand for plywood is expected to be stabilized. Thus, in view of domestic economy for 2012 foreseen to remain stable, the directors expect the local sales remain satisfactory.

The board will remain focus on its current business and will continuously take necessary steps to maintain the profitability of the group.

**B4. Taxation**

The taxation is calculated based on the profit for the financial period ended 31 March 2012 comprises the following:

	Current Quarter <u>RM'000</u>	Year To Date <u>RM'000</u>
<u>Income tax Expenses :</u>		
Current Quarter/Year	1,579	5,924
Under/(over) provision in Prior Quarter/Year	(13)	(57)
Deferred Tax Current Quarter/Year	47	47
	1,613	5,914
	1,613	5,914

**B5. Status of Corporate Proposals**

There was no corporate proposal for the quarter under review.

**B6. Borrowings**

The Group's borrowings as at the end of the reporting period are 100% unsecured :-

	As At 31 March 2012 <u>RM'000</u>	As At 31 March 2011 <u>RM'000</u>
Short Term Borrowing	60,794	64,380
Long Term Borrowing	4,184	5,280
	64,978	69,660
	64,978	69,660

**B7. Material Litigation**

Not applicable.

**B8. Derivatives Financial Instruments**

As at 31 March 2012, the Group's outstanding derivatives are as follows :-

<u>Type of Derivatives</u>	Contract Value <u>RM'000</u>	Fair Value <u>RM'000</u>
Foreign Currency Forward Contracts		
- Less than 1 year	1,518	1,548
	1,518	1,548

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risk, credit risk, liquidity risk and foreign currency risk.



**B9. Proposed Dividend**

The Board proposed a final dividend of 1 sen per share, single tier, for the financial year ended 31 March 2012 (also 1 sen per share, single tier, in previous corresponding period).

This dividend is subject to the approval by the shareholders at the forthcoming Annual General Meeting and has not been included as liability in the financial statements. The dates of entitlement and payment will be determined at later stage.

Total dividend per share for current financial year to date is 7 sen.

**B10. Earnings Per Share (“EPS”)**

The EPS is derived as follow :-

	<b>Current Quarter</b>	<b>Current Year To Date</b>
Net profit for the period/year (RM'000)	4,103	17,929
Weighted average number of ordinary shares ('000)	127,404	125,984
Adjusted weighted average number of ordinary shares for calculating diluted EPS ('000)	129,229	127,188
EPS (sen)	3.22	14.23
Diluted EPS (sen)	3.18	14.10

**B11. Realised and Unrealised Profit/Losses Disclosure**

	<b>Current Year To Date 31.03.2012</b>	<b>As At Financial Year Ended 31.03.2011</b>
Retained Earning		
- Realised	69,496	53,716
- Unrealised	(2,736)	(2,780)
	66,760	50,936
Less : Consolidation Adjustment	(4,727)	2,085
Total Group Retained Earning as per Consolidated Accounts	62,033	53,021

**B12. Notes to the Condensed Consolidated Income Statements**

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

	<b>Current Quarter RM'000</b>	<b>Current Year To Date RM'000</b>
Interest income	147	430
Other income including investment income	789	1,643
Interest expense	(469)	(3,341)
Depreciation and amortisation	(548)	(2,166)
Provision for and write off of receivables	(128)	(156)
Provision for and write off of inventories	(150)	(150)
Gain/(Loss) on disposal of quoted or unquoted investments	N/A	N/A
Gain/(Loss) on disposal of property, plant and equipment	-	59
Impairment of assets	N/A	N/A
Gain/(Loss) on foreign exchange	91	187
Gain/(Loss) on derivatives	N/A	N/A
Exceptional items	N/A	N/A