

DOMINANT ENTERPRISE BERHAD
(Company No.221206-D)

CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED)
FOR THE FOURTH QUARTER ENDED 31 MARCH 2015

	<u>FYE2015</u>	<u>FYE2014</u>	<u>FYE2015</u>	<u>FYE2014</u>
	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 31.03.2015	Preceding Year Corresponding Quarter Ended 31.03.2014	Current Year To Date Ended 31.03.2015	Preceding Year Ended 31.03.2014
	RM'000	RM'000	RM'000	RM'000
Revenue	<u>143,633</u>	<u>123,739</u>	<u>547,605</u>	<u>477,727</u>
Profit from Operations	13,860	8,576	36,624	27,510
Fair value adjustments on investment properties	-	6,726	-	6,726
Interest Income	421	75	1,075	397
Interest Expense	(913)	(218)	(5,596)	(3,899)
Depreciation and Amortisation	(674)	(520)	(2,672)	(2,282)
Profit Before Tax	<u>12,694</u>	<u>14,639</u>	<u>29,431</u>	<u>28,452</u>
Income Tax Expense	(3,064)	(2,171)	(7,215)	(5,514)
Profit After Tax	<u>9,630</u>	<u>12,468</u>	<u>22,216</u>	<u>22,938</u>
Other Comprehensive Income				
Exchange differences on translating foreign operations	437	160	704	281
Gain on revaluation of properties	132	22,757	132	22,757
Total Comprehensive Income	<u>10,199</u>	<u>35,385</u>	<u>23,052</u>	<u>45,976</u>
Profit attributable to :				
Equity holders of the Company	9,571	12,515	22,433	23,134
Non-Controlling Interest	59	(47)	(217)	(196)
	<u>9,630</u>	<u>12,468</u>	<u>22,216</u>	<u>22,938</u>
Total comprehensive income attributable to :				
Equity holders of the Company	10,140	35,432	23,269	46,167
Non-Controlling Interest	59	(47)	(217)	(191)
	<u>10,199</u>	<u>35,385</u>	<u>23,052</u>	<u>45,976</u>
Earning Per Share				
- Basic (sen)	6.96	8.99	16.32	17.06
- Diluted (sen)	6.96	8.97	16.32	17.02

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statement for the financial year ended 31st March 2014 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 2015 RM'000	(Audited) As At 31 March 2014 RM'000
ASSETS		
<u>Non-Current Assets</u>		
Property, plant and equipment	85,952	93,810
Investment properties	13,992	13,986
Land held for property development	13,392	12,248
Prepaid lease payments for land	4,909	4,730
Intangible assets	837	837
	<u>119,082</u>	<u>125,611</u>
<u>Current Assets</u>		
Inventories	79,233	84,868
Trade receivables	128,154	109,720
Other receivables and prepaid expenses	6,024	3,131
Current tax assets	18	25
Cash and cash equivalents	50,320	28,400
	<u>263,749</u>	<u>226,144</u>
TOTAL ASSETS	<u>382,831</u>	<u>351,755</u>
EQUITY AND LIABILITIES		
<u>Equity Attributable To Owners Of The Company</u>		
Issued capital	68,767	68,483
Share premium	317	313
Other reserves	33,261	39,923
Retained Earnings	119,212	93,407
	<u>221,557</u>	<u>202,126</u>
Non - Controlling Interest	(341)	(87)
Total Equity	<u>221,216</u>	<u>202,039</u>
<u>Non-Current Liabilities</u>		
Hire purchase creditors	460	-
Bank borrowings	6,379	9,843
Deferred tax liabilities	5,581	6,088
	<u>12,420</u>	<u>15,931</u>
<u>Current Liabilities</u>		
Trade payables	22,989	23,627
Other payables and accrued expenses	5,790	5,206
Hire purchase creditors	213	47
Bank borrowings	117,761	103,322
Current tax liabilities	2,442	1,583
	<u>149,195</u>	<u>133,785</u>
Total Liabilities	<u>161,615</u>	<u>149,716</u>
TOTAL EQUITY AND LIABILITIES	<u>382,831</u>	<u>351,755</u>
Net assets per share (RM)	1.61	1.48

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2014 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</u> <u>Capital</u> RM'000	<u>Share</u> <u>Premium</u> RM'000	<u>Other</u> <u>Reserves</u> RM'000	<u>Retained</u> <u>Earnings</u> RM'000	<u>Total</u> RM'000	<u>Non-</u> <u>Controlling</u> <u>Interest</u> RM'000	<u>Total</u> <u>Equity</u> RM'000
Balance as at 1 April 2013	67,116	301	23,702	68,905	160,024	-	160,024
Issuance of shares							
- pursuant to ESOS at exercise price of RM 0.50 per share	726	-	-	-	726	-	726
Issuance of shares							
- pursuant to ESOS at exercise price of RM 0.51 per share	641	12	-	-	653	-	653
Total comprehensive income for the year	-	-	23,033	23,134	46,167	(191)	45,976
Reclassification	-	-	(6,812)	6,812	-	-	-
Acquisition of shares in a subsidiary	-	-	-	-	-	104	104
Dividend	-	-	-	(5,444)	(5,444)	-	(5,444)
Balance as at 31 March 2014	<u>68,483</u>	<u>313</u>	<u>39,923</u>	<u>93,407</u>	<u>202,126</u>	<u>(87)</u>	<u>202,039</u>
Balance as at 1 April 2014	68,483	313	39,923	93,407	202,126	(87)	202,039
Issuance of shares							
- pursuant to ESOS at exercise price of RM 0.50 per share	98	-	-	-	98	-	98
Issuance of shares							
- pursuant to ESOS at exercise price of RM 0.51 per share	186	4	-	-	190	-	190
Total comprehensive income for the year	-	-	836	22,433	23,269	(217)	23,052
Reclassification	-	-	(7,498)	7,498	-	-	-
Foreign currency translations, net of tax	-	-	-	-	-	(37)	(37)
Dividend	-	-	-	(4,126)	(4,126)	-	(4,126)
Balance as at 31 March 2015	<u>68,767</u>	<u>317</u>	<u>33,261</u>	<u>119,212</u>	<u>221,557</u>	<u>(341)</u>	<u>221,216</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 2014 and the accompanying explanatory notes to the interim financial reports.

DOMINANT ENTERPRISE BERHAD
(Company No.221206-D)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)

	Financial Year Ended 31.03.2015 RM'000	Financial Year Ended 31.03.2014 RM'000
Profit for the year	22,216	22,938
Adjustments for : -		
Non-cash items	(1,925)	(4,690)
Non-operating items	4,521	3,502
Taxation	7,215	5,514
<i>Operating profit before changes in working capital</i>	<u>32,027</u>	<u>27,264</u>
Changes in working capital		
Net change in current assets	(13,852)	(20,557)
Net change in current liabilities	(1,044)	5,255
<i>Cash generated from operations</i>	17,131	11,962
Interest received	52	39
Income tax refunded	-	107
Interest paid	(123)	(108)
Income tax paid	(6,247)	(5,086)
Net cash from operating activities	10,813	6,914
<i>Cash flows from / (used in) investing activities</i>		
Interest received	1,075	397
Proceeds from disposal of property, plant and equipment	14,953	25
Purchase of property, plant and equipment	(4,025)	(20,790)
Purchase of land held for property development	(1,144)	(1,368)
Purchase of investment properties	(6)	(1)
Acquisition of a subsidiary, net of cash	-	104
Net cash from/ (used in) investing activities	10,853	(21,633)
<i>Cash flows from / (used in) financing activities</i>		
Net proceeds from/ repayment of short-term borrowings	12,537	12,771
Dividends paid	(4,126)	(5,444)
Issue of shares	288	1,379
Interest paid on bank borrowings	(5,470)	(3,791)
Net proceeds from/ repayment of hire-purchase payables	626	(80)
Repayments of finance lease payables	-	(45)
Proceeds from term loans	-	11,358
Repayments of term loans	(2,769)	(1,847)
Net cash from financing activities	1,086	14,301
Net Changes in Cash & Cash Equivalents	22,752	(418)
Adjustment for foreign exchange differentials	87	105
Cash & Cash Equivalents at beginning of year	26,236	26,549
Cash & Cash Equivalents at end of year	<u>49,075</u>	<u>26,236</u>
* Cash and cash equivalents at end of financial year comprise the following :		
Cash and bank balances	50,320	28,400
Less: Bank overdrafts		
(included within short term borrowings in Note B6)	(1,245)	(2,164)
	<u>49,075</u>	<u>26,236</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2014 and the accompanying explanatory notes to the interim financial reports.

UNAUDITED QUARTERLY REPORT ON FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2015

Notes to the Interim Financial Report

A1. Accounting Policies

The interim financial reports are unaudited and have been prepared in accordance with MFRS 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 2014. The explanatory notes attached to the interim financial statements provide an explanation on events and transactions that are significant for the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2014.

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 2014. The Group has adopted all the new and revised MFRSs 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 2014. The adoption has no significant impact on the financial statements of the Group.

A3. Audit Qualification on Preceding Annual Financial Statements

The audit report of the Group's annual Financial Statements for the financial year ended 31 March 2014 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

The ESOS had expired on 2 August 2014.

A8. Dividend Paid

(a) For financial year ended 31 March 2015

A third interim dividend of 2.0 sen per share, single tier, for the financial year ended 31 March 2015, amounting to RM 2,750,668, was paid by the Company on 8 April 2015.

A9. Valuations of Property, Plant and Equipment

There is no significant changes during the financial year.

A10. Segmental Reporting

	<u>Revenue</u>		<u>Segment Results</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Manufacturing of wood products	100,558	86,390	8,377	7,820
Distributing of wood products	458,029	401,106	28,886	20,625
Other operating segments	9,578	8,159	(639)	(935)
	<u>568,165</u>	<u>495,655</u>	<u>36,624</u>	<u>27,510</u>
Elimination of inter-segment revenue:				
- Manufacturing of wood products	(10,531)	(9,436)		
- Distributing of wood products	(1,069)	(847)		
- Other operating segments	(8,960)	(7,645)		
	<u>547,605</u>	<u>477,727</u>	<u>36,624</u>	<u>27,510</u>
Fair value adjustments on investment properties			-	6,726
Interest income			1,075	397
Interest expense			(5,596)	(3,899)
Depreciation and amortisation			(2,672)	(2,282)
Profit before tax			29,431	28,452
Income tax expense			(7,215)	(5,514)
Profit after tax			<u>22,216</u>	<u>22,938</u>

	<u>Assets</u>		<u>Liabilities</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Manufacturing of wood products	64,861	60,482	34,435	33,181
Distributing of wood products	235,449	213,179	116,792	104,241
Other operating segments	82,521	78,094	10,388	12,294
	<u>382,831</u>	<u>351,755</u>	<u>161,615</u>	<u>149,716</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 2015, the Group has credit facilities from licensed banks, financial institutions and suppliers totalling RM 350.61 million (RM 333.39 million in December 2014) 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 126.44 million (RM 139.64 million in December 2014).

A14. Capital Commitment

As of 31 March 2015, the Group has the following capital commitments:

	RM'000
Approved and contracted for :	
Road & drainage works	262
	<u>262</u>

Additional Information Required by the Bursa Malaysia Listing Requirements

B1. Review of the Performance

For the quarter ended 31 March 2015, the Group recorded a revenue of RM 143.63 million. This represented an increase of 16.07% as compared to RM 123.74 million in the preceding year corresponding quarter ended 31 March 2014. Operating profit has increased by 61.54%, from RM 8.58 million to RM 13.86 million.

Manufacturing Division

The revenue was recorded at RM 24.29 million for current quarter, an increase of 19.95% as compared to RM 20.25 million in the preceding year corresponding quarter ended 31 March 2014. The increase in revenue was mainly attributed to market share expansion and newly developed products, which enables the Group to grow continuously.

Operating profit decreased by 14.29%, from RM 2.17 million to RM 1.86 million. The decrease was mainly due to higher raw material costs as well as higher operating costs.

Distribution Division

The revenue was recorded as RM 119.19 million for current quarter. This represented an increase of 15.34% as compared to RM 103.34 million in the preceding year corresponding quarter ended 31 March 2014. The increase in revenue was mainly contributed by additional market share captured as well as penetration into new markets.

Operating profit has increased by 84.98%, from RM 6.46 million to RM 11.95 million. Excluding gain arising from disposal of Puchong warehouse amounted to RM 4.26 million, the operating profit has increased by 19.04%, mainly attributed to higher revenue.

B2. Variation of Results Against Preceding Quarter

For current quarter under review, the Group's revenue increased by 2.0%, from RM 140.81 million to RM 143.63 million. Excluding income arising from disposal of warehouse amounted to RM 4.26 million, profit before tax ("PBT") increased by 55.54%, from RM 5.42 million to RM 8.43 million.

B3. Prospects

The Board is of the view that the wood panel products' prices are not expected to experience any downside volatility in anticipation of the increased demand. However, the raw material costs and foreign exchange rates may jeopardize the company's profit performance.

The Company will continue to leverage its competitive strengths of its economies of scale to lower its costs of production, in order to achieve satisfactory performance in coming financial year.

B4. Taxation

The taxation is calculated based on the profit for the financial year ended 31 March 2015 comprises the following:

	Current Quarter <u>RM'000</u>	Year To Date <u>RM'000</u>
<u>Income tax Expenses :</u>		
Current Tax Expense :		
Current Quarter/Year	3,064	7,215
	<u>3,064</u>	<u>7,215</u>

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 2015 <u>RM'000</u>	As At 31 March 2014 <u>RM'000</u>
Short Term Borrowings	117,761	103,322
Long Term Borrowings	6,379	9,843
	<u>124,140</u>	<u>113,165</u>

B7. Material Litigation

Not applicable.

B8. Derivatives Financial Instruments

As at 31 March 2015, the Group's outstanding derivatives are as follows :-

<u>Type of Derivatives</u>	<u>Contract Value RM'000</u>	<u>Fair Value RM'000</u>
Foreign Currency Forward Contracts		
- Less than 1 year	12,325	12,519

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 1.0 sen per share, single tier, for the financial year ended 31 March 2015 (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 5.0 sen.

B10. Earnings Per Share ("EPS")

The EPS is derived as follow :-

	Current Quarter	Current Year To Date
Net profit for the period/year (RM'000)	9,571	22,433
Weighted average number of ordinary shares ('000)	137,533	137,438
Adjusted weighted average number of ordinary shares for calculating diluted EPS ('000)	137,533	137,438
EPS (sen)	6.96	16.32
Diluted EPS (sen)	6.96	16.32

B11. Realised and Unrealised Profit/Losses Disclosure

	Current Year To Date 31.03.2015	As At Financial Year Ended 31.03.2014
Retained Earning		
- Realised	115,608	90,691
- Unrealised	1,525	854
	117,133	91,545
Less : Consolidation Adjustment	2,079	1,862
Total Group Retained Earning as per Consolidated Accounts	119,212	93,407

B12. Notes to the Condensed Consolidated Income Statements

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

	Current Quarter RM'000	Current Year To Date RM'000
Interest income	421	1,075
Other income including investment income	130	2,587
Interest expense	(913)	(5,596)
Depreciation and amortisation	(674)	(2,672)
Provision for and write off of receivables	(331)	(579)
Provision for and write off of inventories	-	-
Gain/(Loss) on disposal of quoted or unquoted investments	N/A	N/A
Gain/(Loss) on disposal of property, plant and equipment	4,259	4,569
Impairment of assets	-	-
Gain/(Loss) on foreign exchange	439	435
Gain/(Loss) on derivatives	N/A	N/A