

IRE-TEX CORPORATION BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

| | Unaudited As at 31/12/14 RM'000 | Audited As at 31/12/13 RM'000 |
|--|--|--|
| ASSETS | | |
| Property, plant and equipment | 44,701 | 18,302 |
| Investment property | 27,318 | 5,318 |
| Other investment | 549 | 2,029 |
| Goodwill | 4,157 | - |
| Deferred tax assets | 295 | 229 |
| Total non-current assets | <u>77,020</u> | <u>25,878</u> |
| Inventories | 11,230 | 6,649 |
| Trade receivables | 37,326 | 22,796 |
| Other receivables and prepayments | 23,689 | 7,801 |
| Tax recoverable | 629 | 460 |
| Fixed deposits placed with licensed banks | 4,425 | 4,826 |
| Short term funds with a licensed financial institution | 3,686 | 5,286 |
| Cash and bank balances | 7,923 | 7,192 |
| Total current assets | <u>88,908</u> | <u>55,010</u> |
| Non-current assets held for sale | - | 12,274 |
| TOTAL ASSETS | <u>165,928</u> | <u>93,162</u> |
| EQUITY | | |
| Share capital | 52,723 | 46,219 |
| Irredeemable convertible unsecured loan stocks | 21,803 | - |
| Share premium | 5,350 | 4,922 |
| Warrants reserve | 9,960 | - |
| Share options reserve | - | 302 |
| Foreign exchange reserve | 16 | - |
| Retained profits | 2,477 | (320) |
| Total equity attributable to owners of the Company | <u>92,329</u> | <u>51,123</u> |
| Minority interests | (6) | 31 |
| Total equity | <u>92,323</u> | <u>51,154</u> |
| LIABILITIES | | |
| Borrowings | 14,750 | 7,205 |
| Irredeemable convertible unsecured loan stocks - liabilities | 1,227 | - |
| Deferred tax liabilities | 1,030 | 431 |
| Total non-current liabilities | <u>17,007</u> | <u>7,636</u> |
| Trade payables | 17,191 | 7,252 |
| Other payables and accruals | 10,975 | 6,308 |
| Derivative financial instruments | - | 202 |
| Borrowings | 28,328 | 20,554 |
| Provision for taxation | 104 | 56 |
| Total current liabilities | <u>56,598</u> | <u>34,372</u> |
| Total liabilities | <u>73,605</u> | <u>42,008</u> |
| TOTAL EQUITY AND LIABILITIES | <u>165,928</u> | <u>93,162</u> |
| Net assets per share (RM) | 0.70 | 1.11 |

The Condensed Consolidated statement of financial position should be read in conjunction with the Annual Audited Financial Statements of the group for the year ended 31 December 2013.

IRE-TEX CORPORATION BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014 - (UNAUDITED)

| | Individual Quarter | | Cumulative Quarter | |
|--|-------------------------|--|-------------------------|---|
| | Current Year Quarter | Preceding Year Corresponding Quarter | Current Year To Date | Preceding Year Corresponding Period |
| | 31/12/14 RM'000 | 31/12/13 RM'000 | 31/12/14 RM'000 | 31/12/13 RM'000 |
| CONTINUING OPERATIONS | | | | |
| Revenue | 30,372 | 26,572 | 108,158 | 115,440 |
| Cost of sales | (26,516) | (21,657) | (94,922) | (95,417) |
| Gross Profit | 3,856 | 4,915 | 13,236 | 20,023 |
| Other income | 2,620 | 878 | 15,265 | 2,215 |
| Distribution expenses | (2,093) | (1,325) | (7,014) | (7,132) |
| Administrative expenses | (5,151) | (3,243) | (16,554) | (10,721) |
| Loss on disposal of subsidiaries company | - | (683) | - | (683) |
| Results from operating activities | (768) | 542 | 4,933 | 3,702 |
| Finance income | 3 | - | 3 | - |
| Finance costs | (561) | (344) | (1,888) | (1,413) |
| Net finance costs | (558) | (344) | (1,885) | (1,413) |
| Share of results of associates, net of tax | - | - | - | - |
| Profit before taxation | (1,326) | 198 | 3,048 | 2,289 |
| Taxation | 582 | 31 | (510) | (426) |
| Profit after taxation | (744) | 229 | 2,538 | 1,863 |
| Pre-Acquisition profit | - | - | - | - |
| Profit for the period | (744) | 229 | 2,538 | 1,863 |
| Profit attributable to : | | | | |
| Owners of the Company | (543) | 176 | 2,792 | 1,023 |
| Minority interests | (201) | 53 | (254) | 840 |
| Profit for the period | (744) | 229 | 2,538 | 1,863 |
| Earnings per share | | | | |
| Basic earnings per share (sen) | (0.44) | 0.51 | 2.29 | 2.25 |
| Diluted earnings per share (sen) | - | - | - | - |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the group for the year ended 31 December 2013.

IRE-TEX CORPORATION BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014 - (UNAUDITED)

| | Attributable to Equity Holders of the Parent | | | | | | Distributable | Total | Minority Interest | Total Equity |
|--|--|---------------|---------------|-------------------|-----------------------|--------------------------|------------------|---------------|-------------------|---------------|
| | Non-distributable | | | Non-distributable | | | | | | |
| | Share Capital | ICULS | Share Premium | Warrants Reserve | Share Options Reserve | Foreign Exchange Reserve | Retained Profits | Total | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| At 1 January 2013 | 45,011 | - | 4,443 | - | 680 | - | (667) | 49,467 | 2,483 | 51,950 |
| Total comprehensive income for the period | - | - | - | - | - | - | 1,023 | 1,023 | 840 | 1,863 |
| Issuance of of shares pursuant to ESOS | 1,208 | - | 110 | - | - | - | - | 1,318 | - | 1,318 |
| Transfer upon exercise of ESOS | - | - | 369 | - | (369) | - | - | - | - | - |
| Lapsed of ESOS | - | - | - | - | (9) | - | 9 | - | - | - |
| Dividend | - | - | - | - | - | - | (685) | (685) | - | (685) |
| Disposal of equity interests in subsidiaries | - | - | - | - | - | - | - | - | (3,292) | (3,292) |
| At 31 December 2013 | <u>46,219</u> | <u>-</u> | <u>4,922</u> | <u>-</u> | <u>302</u> | <u>-</u> | <u>(320)</u> | <u>51,123</u> | <u>31</u> | <u>51,154</u> |
| At 1 January 2014 | 46,219 | - | 4,922 | - | 302 | - | (320) | 51,123 | 31 | 51,154 |
| Total comprehensive income for the period | - | - | - | - | - | - | 2,792 | 2,792 | (254) | 2,538 |
| Issuance of of shares pursuant to : | | | | | | | | | | |
| - ESOS | 782 | - | 124 | - | - | - | - | 906 | - | 906 |
| - Conversion of ICULS | 5,722 | (2,366) | 1,930 | - | - | - | - | 5,286 | - | 5,286 |
| Issuance of of ICULS pursuant to : | | | | | | | | | | |
| - Rights issue | - | 24,169 | - | - | - | - | - | 24,169 | - | 24,169 |
| Issuance of warrants | - | - | - | 9,960 | - | - | - | 9,960 | - | 9,960 |
| Reserves arising on adjustment on foreign exchange | - | - | - | - | - | 16 | - | 16 | - | 16 |
| Lapsed of ESOS | - | - | - | - | (302) | - | 302 | - | - | - |
| Settlement of Rights issue expenses | - | - | (1,626) | - | - | - | - | (1,626) | - | (1,626) |
| Acquisition of equity interests in subsidiary | - | - | - | - | - | - | (297) | (297) | - | (297) |
| Disposal of equity interests in subsidiary | - | - | - | - | - | - | - | - | 217 | 217 |
| At 30 September 2014 | <u>52,723</u> | <u>21,803</u> | <u>5,350</u> | <u>9,960</u> | <u>-</u> | <u>16</u> | <u>2,477</u> | <u>92,329</u> | <u>(6)</u> | <u>92,323</u> |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the group for the year ended 31 December 2013.

IRE-TEX CORPORATION BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014 - (UNAUDITED)

| | Current Year To Date 31/12/14 RM'000 | (Audited) Corresponding Year To Date 31/12/13 RM'000 |
|---|---|---|
| CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 3,048 | 2,289 |
| Adjustments for: | | |
| Bad debts | 269 | 56 |
| Change in fair value of investment properties | - | (257) |
| Depreciation | 3,319 | 4,377 |
| Deposit forfeited | - | 50 |
| Fair value gain on derivatives financial instruments | (202) | 202 |
| Gain on disposal of investment | (128) | - |
| Gain on profit guarantee | (2,481) | - |
| (Gain)/Loss on disposal of property, plant and equipment | (11,277) | 19 |
| Impairment loss on other investment | - | 295 |
| Impairment on inventory | 694 | - |
| Interest expenses | 1,808 | 1,413 |
| Interest income | (161) | (154) |
| Loss on disposal of investment in subsidiaries | - | 683 |
| Property, plant and equipment written off | 128 | 1 |
| Unrealised gain on foreign exchange | (80) | (172) |
| Operating (loss)/profit before changes in working capital | (5,063) | 8,802 |
| (Increase)/Decrease in: | | |
| Receivables | (17,895) | (6,197) |
| Inventories | (3,084) | 4,093 |
| Increase/(Decrease) in: | | |
| Payables | (1,851) | 6,722 |
| Director | (725) | - |
| Cash generated from operations | (28,618) | 13,420 |
| Interest paid | (1,808) | (1,413) |
| Income taxes paid | (1,404) | (1,035) |
| Income taxes refund | 450 | 232 |
| Net cash (used in) / generated from operating activities | (31,380) | 11,204 |
| CASH FLOWS USED IN INVESTING ACTIVITIES | | |
| Fixed deposits placed with licensed bank | 100 | - |
| Acquisition of non-controlling interest of a subsidiary | (80) | - |
| Interest received | 80 | 77 |
| Cashflow on acquisition of equity interest in subsidiary company | (24,666) | - |
| Net cashflow from disposal of equity interest in subsidiaries company | - | 1,103 |
| Proceeds from disposal of other investments | 1,608 | - |
| Proceeds from disposal of property, plant and equipment | 24,145 | 20 |
| Purchase of property, plant and equipment | (24,589) | (7,801) |
| Net cash from/(used in) investing activities | (23,402) | (6,601) |
| Balance carried forward | (54,782) | 4,603 |

| | RM'000 | RM'000 |
|---|----------------|---------------|
| Balance brought forward | (54,782) | 4,603 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Bankers acceptance | 3,432 | 5,003 |
| Trust receipt | - | (98) |
| Drawdown of term loan | 10,507 | - |
| Dividend paid | - | (684) |
| Payment of Rights issue expenses | (1,626) | - |
| Proceeds from issuance of shares pursuant to ESOS | 907 | 1,317 |
| Proceeds from rights issue on ICULS | 35,251 | - |
| Proceeds from conversion of ICULS | 5,167 | - |
| Proceeds from hire purchase | - | 567 |
| Repayment of hire purchase payables | (1,141) | (819) |
| Repayment of term loans | (1,796) | (460) |
| Net cash from financing activities | 50,701 | 4,826 |
| Effects of changes in exchange rates | 16 | 88 |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | (4,065) | 9,517 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | 14,461 | 4,945 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | 10,396 | 14,462 |

CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the Condensed Consolidated Statement of Cash Flows comprise:

| | | |
|--|---------|---------|
| Fixed deposits placed with licensed bank | 4,425 | 4,826 |
| Short term funds with a licensed financial institution | 3,686 | 5,286 |
| Cash and bank balances | 7,923 | 7,191 |
| Bank overdraft | (2,690) | (234) |
| | 13,344 | 17,069 |
| Fixed deposit pledged to bank | (2,948) | (2,607) |
| | 10,396 | 14,462 |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2013.

IRE-TEX CORPORATION BERHAD
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED 31 DECEMBER 2014

EXPLANATORY NOTES

1. BASIS OF PREPARATION

The interim financial statements is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 : Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Listing Requirements of Bursa Securities Malaysia Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2013. These explanation notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2013.

2. CHANGES IN ACCOUNTING POLICIES

The Group has adopted the MFRS framework issued by MASB with effect from 1 January 2012. This MFRS framework was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board. There has been no material impact upon the adoption the MFRS on the financial statements of the Group.

The Group has also adopted all the new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January 2013. The adoption of these new and revised MFRSs and IC Interpretations have not resulted in any material impact on the financial statements of the Group.

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

No qualification on the audit report of the preceding annual financial statements of Ire-Tex Corporation Berhad.

4. SEASONAL OR CYCLICAL FACTORS

The Group's operations are not subject to any seasonal or cyclical factors.

5. UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter.

6. CHANGE IN ESTIMATES

There were no major changes in estimates that have had material effect on the current quarter results.

7. DEBTS AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities for the period under review.

8. DIVIDEND PAID

The company did not make any dividend payment during the quarter.

9. SEGMENTAL INFORMATION

The segment information for the 12 months ended 31 December 2014 were as follows:-

| | Manufacturing | Trading | Automation | Investment Holding | Total |
|-------------------------------|---------------|---------|------------|-----------------------|----------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | | | | |
| Segment revenue | 130,080 | 3,169 | 8,445 | 2,104 | 143,798 |
| Inter-segment revenue | (33,536) | - | - | (2,104) | (35,640) |
| External revenue | 96,544 | 3,169 | 8,445 | - | 108,158 |
| Results | | | | | |
| Operating profit | 7,425 | (785) | (331) | (1,376) | 4,933 |
| Net finance cost | (1,129) | (296) | (406) | (54) | (1,885) |
| Share of profit of associates | - | - | - | - | - |
| Income tax expense | (673) | (28) | 369 | (178) | (510) |
| Profit after tax | 5,623 | (1,109) | (368) | (1,608) | 2,538 |

10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of the property, plant and equipment in the current quarter under review. The valuation of property, plant and equipment has been brought forward without amendment from the financial statements for the year ended 31 December 2013.

11. MATERIAL POST BALANCE SHEET EVENTS

There are no material post balance sheet events subsequent to the end of the period under review that have not been reflected in the quarterly financial statements except for the following:-

On 25 July 2014, the Company announced that Bursa Securities Bhd had granted the company an extension of time of six months until 17 February 2015 to implement the Private Placement.

On 17 February 2015, the company announced that the approval granted by Bursa Securities Bhd on 18 February 2014 and 25 July 2014, for the implementation of the Private Placement, had lapsed on 17 February 2015.

12. CHANGES IN COMPOSITION OF THE COMPANY

There are no material changes in composition of the company subsequent to the end of the period under review that have not been reflected in the quarterly financial statements.

13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no significant changes in contingent liabilities or contingent assets since the last annual financial statements as at 31 December 2013, except for corporate guarantee amounting to RM 1,970,336 given to banks for hire purchase facilities granted to subsidiary companies during the quarterly financial statements.

14. CHANGES IN MATERIAL LITIGATION

There were no material litigations since the last annual financial statements date until the date of this announcement except for the announcement on 13 February 2015, whereby the company announced that its subsidiary company Suzhou Styrotex Asia Pacific Co. Ltd. (SSPC) 'had received a summon in respect of a civil suit filed by Airdex International Inc. ("Airdex) alleging infringement by SSPC of Airdex's patent in respect of its design for Airfreight Pallet. The suit seeks enforcement and damages against SSPC for the following:

1. Demand for SSPC to stop production on Airfreight Pallet
2. Demand for SSPC's molds in respect of Airfreight Pallet to be destroyed
3. Damages amounting to RMB3 million (Renminbi Three Million)
4. Court fees to be borne by SSPC

Hearing for the suit has been fixed on 2 March 2015.

IRE-TEX CORPORATION BERHAD
(Incorporated in Malaysia)

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS FOR
QUARTERLY REPORT ENDED 31 DECEMBER 2014**

1. REVIEW OF GROUP PERFORMANCE AND CURRENT YEAR PROSPECTS

| | Oct - Dec 2014 RM'000 | Jul - Sep 2014 RM'000 | Oct - Dec 2013 RM'000 | Jan - Dec 2014 RM'000 | Jan - Dec 2013 RM'000 |
|--------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Revenue | | | | | |
| - Manufacturing | 27,697 | 23,917 | 25,414 | 96,544 | 100,777 |
| - Trading | 287 | 419 | 1,158 | 3,169 | 14,628 |
| - Energy Supply | - | - | - | - | 35 |
| - Automation | 2,388 | 4,050 | - | 8,445 | - |
| - Investment Holding | - | - | - | - | - |
| Total | 30,372 | 28,386 | 26,572 | 108,158 | 115,440 |
| Profit Before Tax | | | | | |
| - Manufacturing | (1,120) | (1,225) | 1,848 | 6,296 | 2,936 |
| - Trading | (326) | (376) | (705) | (1,081) | (324) |
| - Energy Supply | - | - | 22 | - | 281 |
| - Automation | (1,421) | 542 | - | (737) | - |
| - Investment Holding | 1,541 | (1,203) | (967) | (1,430) | (604) |
| Total | (1,326) | (2,262) | 198 | 3,048 | 2,289 |

Comparison with corresponding period in the previous year

The Group's revenue increased by 14.30% from RM 26.572 million in the corresponding quarter in the previous year to RM 30.372 million in the current quarter was mainly due to increase in demand in manufacturing division especially on heavy duty packaging and acquisition of automation business in 2nd quarter 2014.

The Group's profit before taxation decreased significantly from RM 0.198 million in the corresponding quarter in the previous year to net loss of RM 1.326 million in the current quarter due mainly to increase in operating costs.

For manufacturing division, revenue for the current quarter increased by RM 2.283 million as compared to the corresponding quarter in the previous year due mainly to increased demand for heavy duty packaging. The division's profit before taxation for the quarter decreased by RM 2.968 million as compared to the corresponding quarter in the previous year due to increase in operating costs.

For trading division, revenue for the current quarter decreased by RM 0.871 million as compared to the corresponding quarter in the previous year due to decrease in sales volume in agricultural waste. The division's loss before taxation for the quarter decreased by RM 0.379 million as compared to the corresponding quarter in the previous year as a result of reduction in operating costs.

For the energy supply division, profit before taxation for the quarter decreased by RM 0.022 million as compared to the corresponding quarter in the previous year due to disposal of a subsidiary in the last quarter of 2013.

For the automation division, revenue for the current quarter increased by RM 2.388 million as compared to the corresponding quarter in the previous year due to acquisition of subsidiaries in the 2nd quarter of 2014. The division's loss before taxation for the quarter increased by RM 1.421 million as compared to the corresponding quarter in the previous year due to acquisition of subsidiaries in the 2nd quarter of 2014.

For the investment holding division, the division's profit before taxation for the quarter has increased by RM 2.508 million as compared to the corresponding quarter in the previous year due to gains on profit guarantee amounting to RM 2.481 million provided by vendors of the automation subsidiaries acquired in the 2nd quarter of 2014.

Comparison with preceding quarter

The Group's revenue increased by 7.00% from RM 28.386 million in the preceding quarter to RM 30.372 million in the current quarter due mainly to increase in sales from the manufacturing division.

The Group's loss before taxation decreased from RM 2.262 million in the preceding quarter to RM 1.326 million in the current quarter due to increase in sales and decreased in operating cost.

For manufacturing division, its revenue for the current quarter has been increased by RM 3.780 million as compared to preceding quarter was mainly due to increase in sales volume for heavy duty industry. The division's loss before taxation for the quarter has been decreased by RM 0.105 million as compared to preceding quarter was due to increase in sales during the quarter.

For trading division, its revenue for the current quarter has been decreased by RM 0.132 million as compared to preceding quarter was due to decrease in sales volume in agricultural waste. The division's loss before taxation for the quarter has been decreased by RM 0.050 million as compared to preceding quarter.

For automation division, its revenue for the current quarter has been decreased by RM 1.662 million as compared to preceding quarter was mainly due to decrease in sales generated during the quarter. The division's loss before taxation for the quarter has been increased by RM 1.963 million as compared to preceding quarter due to decrease in sales and impairment on inventory during the quarter.

For investment holding division, the division's profit before taxation for the quarter has been increased by RM 2.744 as compared to preceding quarter due to gains on profit guarantee amounting to RM 2.481 million provided by vendors of the automation subsidiaries acquired in the 2nd quarter of 2014.

Financial period to date

The Group's revenue for the financial period decreased by RM 7.282 million as compared to the corresponding period due mainly to disposal of subsidiaries in the last quarter of 2013.

The Group's profit before taxation increased by RM 0.759 million as compared to the corresponding period due mainly to gains on disposal of property in the 1st quarter of 2014.

The Group will continue to invest in innovations and process improvement/automation technologies to enhance manufacturing efficiencies, plant utilization and ultimately further reduction in unit costs.

Taking a long term perspective, the Group will be looking out for profitable new businesses to diversify and reduce its dependence on the packaging industry.

2 PROFIT FORECAST OR PROFIT GUARANTEE

No profit forecast was published for the current quarter and financial year-to-date.

However, the acquisition of Zoomic Automation (M) Sdn. Bhd and Zoomic Technology (M) Sdn. Bhd (collectively referred hereinafter as Zoomic) on 24 April 2014 had resulted in the vendors of Zoomic providing the Company with a 2 year Profit Guarantee. Specifically, the Profit After Tax for FYE 31 December 2014 and FYE 31 December 2014 of Zoomic shall not be less than a total of RM 5,000,000. The effects of this Profit Guarantee amounting to RM 2,480,544 has been reflected in this quarterly report.

3. TAXATION

| | 3 Months Ended | 12 Months Ended |
|--|-----------------------|------------------------|
| | 31/12/14 | 31/12/14 |
| | RM'000 | RM'000 |
| Based on the results for the period:- | | |
| | (375) | 660 |
| (Over) / under provision in prior year | - | - |
| | - | - |
| | (40) | (36) |
| Tax refunded - Malaysian taxation | - | - |
| Deferred tax | - | - |
| Others | (167) | (114) |
| | - | - |
| | <u>(582)</u> | <u>510</u> |

4 CORPORATE PROPOSALS

On 16 June 2014, the company announced that the Rights Issue for ICULS with Warrants has been completed, following the listing of and quotation for 470,014,000 or RM 35,251,050 nominal value of Rights ICULS and 58,751,722 Warrants arising from the Rights Issue of ICULS with Warrants on the Main Market of Bursa Securities.

The proceeds raised of RM35,251,050 have been utilized in the following manners:-

| Purpose | Proposed Utilisation (RM'000) | Actual Utilisation (RM'000) | Timeframe of Utilisation (RM'000) | Balance of Utilisation (RM'000) |
|---------------------------------------|--|--|--|--|
| Working capital | 17,751 | 17,751 | Within 24 monhs | - |
| Repayment of bank borrowings | 1,500 | - | Within 12 months | 1,500 |
| Part finance the construction costs | 9,000 | 9,000 | Within 12 months | - |
| Purchase of machineries and equipment | 6,000 | 6,000 | Within 12 months | - |
| Expenses relating to the Proposal | 1,000 | 1,000 | Within 3 months | - |
| Total | <u>35,251</u> | <u>33,751</u> | | <u>1,500</u> |

5. BORROWINGS

The Group borrowings as at the end of the reporting quarter are as follows:-

| | As At 31/12/14 RM'000 |
|-------------------------------------|--------------------------------------|
| Non-current | |
| Secured | |
| - term loan | 12,881 |
| - hire purchase | 1,869 |
| Total non-current borrowings | <u>14,750</u> |
| Current | |
| Secured | |
| - term loan | 2,446 |
| - bank overdrafts | 2,690 |
| - banker's acceptance | 22,198 |
| - trust receipts | - |
| - hire purchase | 994 |
| Total current borrowings | <u>28,328</u> |
| Total borrowings | <u>43,078</u> |

6. PURCHASE OR DISPOSAL OF QUOTED SECURITIES

The Group is currently not holding any quoted securities and there were no purchase or disposal of quoted securities for the period under review.

7. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no financial instruments with off balance sheet risk as at the date of this report.

8. DIVIDEND PAYABLE

The Company did not declare any dividends for the period under review.

9. EARNINGS PER SHARE

| | 3 Months Ended 31/12/14 RM | 12 Months Ended 31/12/14 RM |
|---|---|--|
| (a) Basic | | |
| (Loss)/Profit attributable to ordinary equity holders of the parent for the period (RM'000) | (543) | 2,792 |
| Weighted average number of ordinary shares of RM0.40 each ('000) | 122,166 | 122,166 |
| Basic (loss) / earning per share (sen) | (0.44) | 2.29 |
| (b) Diluted | | |
| Weighted average number of ordinary shares of RM0.40 each ('000) | 122,166 | 122,166 |
| Effect of ICULS & warrants ('000) | - | - |
| Weighted average number of ordinary shares - diluted ('000) | 122,166 | 122,166 |
| Diluted (loss) / earnings per share (sen) | (0.44) | 2.29 |

* - Anti dilutive in nature

10. REALISED AND UNREALISED PROFIT OR LOSSES DISCLOSURE

| | As At 31/12/14 RM'000 | As At 31/12/13 RM'000 |
|--|--------------------------------------|--------------------------------------|
| Total retained profits / (loss) of the Group | | |
| - Reliased | 3,212 | (118) |
| - Unreliased | (735) | (202) |
| | <u>2,477</u> | <u>(320)</u> |

The determination of realised and unrealised profits / (loss) are compiled based on 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.

The disclosure of realised and unrealised profits or losses above is solely for the purposes of complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.