

**COMINTEL CORPORATION BHD ("COMCORP")**  
(Company No. 630068-T)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FOURTH QUARTER ENDED 31 JANUARY 2014**  
(The figures have not been audited)

	Note	Current Year Quarter Ended 31.01.2014 RM'000	Preceding Year Quarter Ended 31.01.2013 RM'000	Current Year To Date 31.01.2014 RM'000	Preceding Year To Date 31.01.2013 RM'000
Revenue	A9	82,715	113,453	315,032	416,201
Cost of sales		(75,840)	(104,542)	(298,967)	(385,137)
Gross profit		6,875	8,911	16,065	31,064
Other operating income		344	341	1,159	1,270
Other operating, administrative, selling and distribution expenses		(4,794)	(6,812)	(19,584)	(22,098)
Profit / (Loss) from Operations		2,425	2,440	(2,360)	10,236
Finance cost		(713)	(845)	(2,832)	(3,458)
Profit / (Loss) before taxation	A9	1,712	1,595	(5,192)	6,778
Taxation	B6	413	(3,984)	343	(3,999)
Profit / (Loss) for the period		2,125	(2,389)	(4,849)	2,779
<b>Other Comprehensive income:</b>					
Currency translation differences for foreign operations		167	(7)	170	25
Surplus on revaluation of property plant & equipment		-	12,678	-	12,678
Deferred tax liabilities relating to components of other comprehensive income		-	(3,169)	-	(3,169)
<b>Total Comprehensive Income for the period</b>		<b>2,292</b>	<b>7,113</b>	<b>(4,679)</b>	<b>12,313</b>
<b>Profit / (Loss) attributable to:</b>					
Equity holders of the parent company		2,332	(2,137)	(4,521)	3,447
Non-controlling interests		(207)	(252)	(328)	(668)
		<b>2,125</b>	<b>(2,389)</b>	<b>(4,849)</b>	<b>2,779</b>
<b>Total Comprehensive Income attributable to:</b>					
Equity holders of the parent company		2,500	7,375	(4,341)	12,991
Non-controlling interests		(208)	(262)	(338)	(678)
		<b>2,292</b>	<b>7,113</b>	<b>(4,679)</b>	<b>12,313</b>
Profit / (Loss) per share					
- Basic (sen)	B15	1.67	(1.53)	(3.23)	2.46
- Diluted (sen)	B15	1.67	(1.53)	(3.23)	2.46

**Note:**

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial statements.

**COMINTEL CORPORATION BHD ("COMCORP")**

(Company No. 630068-T)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2014**

		<b>(Audited)</b>
	As At	As At
	31.01.2014	31.01.2013
Note	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	65,726	68,689
Investment in unquoted shares	1,052	1,052
	<u>66,778</u>	<u>69,741</u>
<b>Current assets</b>		
Inventories	85,436	86,295
Trade receivables	63,546	66,771
Other receivables, deposits and prepayment	7,165	7,519
Cash and bank balances	27,030	29,917
	<u>183,177</u>	<u>190,502</u>
<b>TOTAL ASSETS</b>	<u><u>249,955</u></u>	<u><u>260,243</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	70,000	70,000
Share premium	25,745	25,745
Capital Reserves	10,863	10,863
Other Reserves	282	102
Accumulated Losses	(11,198)	(6,677)
Total Equity attributable to equity holders of the parent	95,692	100,033
Non-controlling interests	2,015	2,353
<b>Total equity</b>	<u>97,707</u>	<u>102,386</u>
<b>Non-current liabilities</b>		
Hire purchase payables	393	419
Deferred tax liabilities	4,666	4,513
	<u>5,059</u>	<u>4,932</u>
<b>Current liabilities</b>		
Trade payables	54,277	45,456
Other payables and accruals	6,897	8,329
Provision for warranty	412	404
Short term borrowings	78,214	88,191
Bank overdraft	2,641	4,621
Hire purchase payables	252	317
Provision for taxation	4,496	5,607
	<u>147,189</u>	<u>152,925</u>
<b>Total liabilities</b>	152,248	157,857
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>249,955</u></u>	<u><u>260,243</u></u>
Net assets per share attributable to ordinary equity holders of the parent company (RM)	0.6835	0.7145

**Note:**

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial statements.

# COMINTEL CORPORATION BHD ("COMCORP")

(Company No. 630068-T)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 JANUARY 2014

(The figures have not been audited)

Note	----- Attributable to equity holders of the parent -----							
	<----- (Non Distributable) -----				(Distributable)		Non-controlling Interest	Total Equity
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserves RM'000	Translation Reserves RM'000	(Accumulated Losses) /Retained Profits RM'000	Total RM'000		
<b>12 months period ended 31 January 2014</b>								
<b>Balance at 1 February 2013</b>	70,000	25,745	10,863	102	(6,677)	100,033	2,353	102,386
<b>Changes in equity during the year:</b>								
(Loss) for the period	-	-	-	-	(4,521)	(4,521)	(328)	(4,849)
Other comprehensive income	-	-	-	180	-	180	(10)	170
Total comprehensive income for the period	-	-	-	180	(4,521)	(4,341)	(338)	(4,679)
Subscription of shares in a subsidiary company by non-controlling interest	-	-	-	-	-	-	-	-
Balance as at 31 January 2014	70,000	25,745	10,863	282	(11,198)	95,692	2,015	97,707
<b>12 months period ended 31 January 2013</b>								
<b>Balance at 1 February 2012</b>	70,000	25,745	1,354	67	(10,124)	87,042	2,877	89,919
Profit / (Loss) for the period	-	-	-	-	3,447	3,447	(668)	2,779
Other comprehensive income	-	-	9,509	35	-	9,544	(10)	9,534
Total comprehensive income for the period	-	-	9,509	35	3,447	12,991	(678)	12,313
Subscription of shares in a subsidiary company by non-controlling interest	-	-	-	-	-	-	154	154
Balance as at 31 January 2013	70,000	25,745	10,863	102	(6,677)	100,033	2,353	102,386

### Note:

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial statements.

**COMINTEL CORPORATION BHD ("COMCORP")**

(Company No. 630068-T)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FOURTH QUARTER ENDED 31 JANUARY 2014  
(The figures have not been audited)**

	Current Year To Date 31.01.2014 RM'000	Preceding Year To Date 31.01.2013 RM'000
<b>Cash flows from operating activities</b>		
(Loss) / Profit before taxation	(5,192)	6,778
<b>Adjustments for non cash and non operating items:</b>		
Depreciation of property, plant & equipment	3,891	4,737
Hire purchase interest	42	63
Interest expenses	2,794	3,394
Fixed Asset written-off	(310)	-
(Gain) on disposal of property, plant & equipment	(98)	(77)
Provision for warranty cost	8	64
Interest income	(201)	(213)
Operating cash flow before working capital changes	934	14,746
Inventories	859	(26,511)
Trade receivables	3,225	(9,612)
Other receivables, deposits and prepayments	354	(15)
Trade payables	8,821	15,308
Other payables and accruals	(1,252)	(621)
Net cash flow from operations	12,941	(6,705)
Finance Charges	(2,836)	(3,457)
Income tax (paid)/refund	(625)	1,599
Net operating cash flow	9,480	(8,563)
<b>Cash flows from investing activities</b>		
Purchase of property, plant & equipment	(929)	(2,166)
Proceeds from disposal of property, plant & equipment	409	86
Interest income received	201	213
Net investing cash flow	(319)	(1,867)
<b>Cash flows from financing activities</b>		
Net (repayment)/drawdown of bank borrowings	(9,087)	14,218
Net (repayment) of term loans	(890)	(1,432)
Net (repayment) of hire purchase liabilities	(341)	(289)
Funding of hire purchase liabilities	250	154
Net financing cash flow	(10,068)	12,651
<b>Net changes in cash and cash equivalents</b>	(907)	2,221
<b>Cash and cash equivalents at the beginning of the period</b>	25,296	23,075
<b>Cash and cash equivalents at the end of the period</b>	24,389	25,296
<b>Analysed into:</b>		
<b>Deposits with financial institutions</b>	6,929	6,471
<b>Cash and bank balances</b>	20,101	23,446
<b>Bank overdrafts</b>	(2,641)	(4,621)
<b>Cash and cash equivalents at the end of the period</b>	24,389	25,296

**Note:**

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial statements.

# COMINTEL CORPORATION BHD ("COMCORP")

(Company No. 630068-T)

## Notes to the Interim Financial Report - 4th Quarter ended 31st January 2014

### Part A.

#### EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (FRS) 134

##### A1 Basis of Preparation

The interim financial statements are unaudited and have 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 Bursa Malaysia Securities Berhad Listing Requirements.

The unaudited interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 31 January 2013.

##### A2 Changes in Accounting Policies

The significant accounting policies adopted by the Company are consistent with those used in the Audited Financial Statements of the Company for the financial year ended 31 January 2013 except for the changes arising from the adoption of the following new MFRSs, Amendments to MFRSs and Issues Committee Interpretations ("IC Interpretations") that are effective for the financial period on or after 1 February 2013.

##### (a) Standards issued and effective

On 1 January 2013, the following new and amended MFRS and IC Interpretations are mandatory for annual financial periods beginning on or after 1 January 2013.

	effective for financial periods beginning on or after
MFRS 3, Business Combinations (IFRS 3 <i>Business Combinations</i> issued by IASB in March 2004)	1 January 2013
MFRS 7, Disclosures - Offsetting financial Assets and Financial Liabilities	1 January 2013
MFRS 10, Consolidated Financial Statements	1 January 2013
MFRS 11, Joint Arrangements	1 January 2013
MFRS 12, Disclosure of Interests in Other Entities	1 January 2013
MFRS 13, Fair Value Measurement	1 January 2013
MFRS 119, Employee Benefits (revised)	1 January 2013
MFRS 127, Separate Financial Statements	1 January 2013
MFRS 128, Investments in Associates and Joint Ventures	1 January 2013

## **(b) Standards issued but not yet effective**

The Company has not adopted the following standards and interpretations that have been issued but not yet effective:

	effective for financial periods beginning on or after
MFRS 9, Financial Instruments	1 January 2015
Amendments to MFRS 10, Consolidated Financial Statements: Investment Entities	1 January 2014
Amendments to MFRS 12, Disclosure of Interests in Other Entities: Investment Entities	1 January 2014
Amendments to MFRS 127, Consolidated and Separate Financial Statements: Investment Entities	1 January 2014
Amendments to MFRS 132, Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136, Impairment of Assets	1 January 2014
- Recoverable Amount Disclosures for Non-Financial Assets	
Amendments to MFRS 139, Financial Instruments: Recognition and Measurement	1 January 2014
- Novation of Derivatives and Continuation of Hedge Accounting	
Amendments to MFRS 3, Business Combinations	1 July 2014
- (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)	
Amendments to MFRS 116, Property, plant and equipment (Annual Improvements 2010-2012 Cycle)	1 July 2014
Amendments to MFRS 119, Employee Benefits (IAS 19 as amended by IASB in November 2013)	1 July 2014
Amendments to MFRS 124, Related party disclosures (Annual Improvements 2010-2012 Cycle)	1 July 2014

The adoption of the above MFRS and IC Interpretation is not expected to have any significant impact on the financial statements of the Group.

### **A3 Audit qualification**

The auditor's report of the preceding annual financial statements of the Group did not contain any qualification.

### **A4 Explanatory Comment On Seasonality or Cyclicity**

The Group's operations have not been affected materially by any seasonal/cyclical factors. However, the Communication & System Integration and Defence Maintenance's business operation results were very much dependent on the timing of completion of each project.

### **A5 Unusual Items**

There were no items of unusual nature and amounts affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 January 2014.

### **A6 Change In Estimates**

There were no material changes in estimates of amounts that have material effect in the current quarter results.

### **A7 Debt and Equity Securities**

There were no issuance and repayment of debts and equity securities, shares buy-back, share cancellations, shares held as treasury shares or resale of treasury shares during the current quarter under review.

### **A8 Dividend Paid**

No interim nor final ordinary dividend has been declared, recommended or paid during the financial quarter under review and the financial year to date.

## A9 Segmental information

The Group comprises the following main business / operating segments:

- (a) Investment Holding
- (b) Manufacturing
- (c) Communication & System Integration
- (d) Defence Maintenance

The main geographical segments for the Group are:

- (a) Malaysia
- (b) Overseas

In presenting the segmental information, segment revenue is based on both operating segment and the geographical location of customers. Segment assets are based on the assets employed by each of the business / operating segment.

### *Segment revenue, segment results and segment assets employed for business / operating segment and geographical segment*

#### **Current Year-to-Date (period ended 31 January 2014)**

<b>Segment revenue</b>	Investment Holding RM'000	Manufacturing RM'000	Communications & Systems Integration RM'000	Defence Maintenance RM'000	Consolidated RM'000
Malaysia	-	-	20,056	1,518	21,574
Overseas	-	293,023	435	-	293,458
<b>Total Revenue</b>	<b>-</b>	<b>293,023</b>	<b>20,491</b>	<b>1,518</b>	<b>315,032</b>

#### **Results from operating activities**

Segment results	(796)	2,941	(3,660)	(845)	(2,360)
Finance costs					(2,832)
(Loss) before taxation					(5,192)
Taxation					343
(Loss) for the period					(4,849)
<b>Segment Assets</b>					
Segment Assets	577	198,351	48,829	1,146	248,903
Investment in unquoted shares					1,052
Consolidated total assets					249,955

#### **Preceding Year (period ended 31 January 2013)**

<b>Segment revenue</b>	Investment Holding RM'000	Manufacturing RM'000	Communications & Systems Integration RM'000	Defence Maintenance RM'000	Consolidated RM'000
Malaysia	-	-	29,268	1,661	30,929
Overseas	-	385,272	-	-	385,272
<b>Total Revenue</b>	<b>-</b>	<b>385,272</b>	<b>29,268</b>	<b>1,661</b>	<b>416,201</b>

#### **Results from operating activities**

Segment results	(1,001)	15,461	(2,629)	(1,595)	10,236
Finance costs					(3,458)
Profit before taxation					6,778
Taxation					(3,999)
Profit for the period					2,779
<b>Segment Assets</b>					
Segment Assets	844	198,683	51,444	8,220	259,191
Investment in unquoted shares					1,052
Consolidated total assets					260,243

**A10 Valuation of property, plant and equipment**

There were no changes to the valuation of property, plant and equipment from the previous year's audited financial statements.

**A11 Material events subsequent to the end of the interim period**

There were no material events subsequent to the end of the quarter under review that have not been reflected in the financial statements for the quarter under review.

**A12 Changes in the composition of the group**

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

**A13 Contingent liabilities and contingent assets**

As at 31 January 2014, total bank guarantees outstanding relating to performance and tenders amounted to RM3.71 million. The company has provided corporate guarantee amounting to RM239.46 million to financial institutions for banking facilities made available to its subsidiaries of which RM85.21 million was utilised as at 31 January 2014.

**A14 Capital Commitments**

There were no material capital commitments as at 31 January 2014 and up to the date of this report.

**A15 Related Party Transactions**

The Group's related party transactions for the current quarter and the cumulative period-to-date ended 31 January 2014 were as follow:

Nature of Relationship	Purchase of goods RM'000	Service Received RM'000	Total for nature of relationship RM'000
Principal owner	776	-	776
Director, other key management	-	108	108
<b>Total for type of transaction</b>	776	108	884



## COMINTEL CORPORATION BHD ("COMCORP")

(Company No. 630068-T)

### Notes to the Interim Financial Report - 4th Quarter ended 31st January 2014

#### Part B. Additional Information Required by The Listing Requirements of Bursa Malaysia Securities Berhad

##### B1 Detailed analysis of the performance of all operating segments of the Group for the current quarter and financial year-to-date

The Group recorded a revenue of RM82.7 million for the current quarter ended 31st Jan 2014, a decline of 27% or RM30.7 million as compared to the corresponding quarter last year.

For the current quarter under review, manufacturing segment recorded a revenue of RM76.9 million, a decline of RM20 million as compared to the corresponding quarter last year. Revenue from the Communication & System Integration Segment and Defence Maintenance Segment declined by RM10 million and RM0.6 million respectively.

The group recorded a net profit of RM2.1 million for the 4th quarter under review. For the financial year-to-date, the Group recorded a net loss of RM4.8 million as compared to the net profit of RM2.8 million in the preceding financial year-to-date. The net loss was mainly attributed to the losses suffered by the Communication & System Integration and the Defence Maintenance Segments.

##### B2 Comment on current quarter result as compared with the immediate preceding quarter

	Current Quarter ended 31.01.2014 RM'000	Preceding Quarter ended 31.10.2013 RM'000
Revenue	82,715	88,530
Profit before tax	1,712	1,579
Profit after tax	2,125	1,589
Attributable to :		
Equity holders of the parent company	2,332	1,527
Non-controlling interests	(207)	62

The current quarter revenue was RM5.8 million or 6.6% lower than that recorded in the preceding quarter. The lower revenue was mainly attributed to the lower products being shipped by the Manufacturing Segment.

The Group recorded a net profit attributable to the owners of the parent of RM 2.3 million, an increase of RM0.8 million as compared to the preceding quarter. The increase in net profit recorded in the current quarter was mainly attributed to the strengthening of US\$ as most of the billing from our Manufacturing System is denominated in US\$.

##### B3 Prospect for the financial year ending 31 January 2015

Our Manufacturing Segment performed relatively well despite the global economic contraction for the financial year ended 31st Jan 2014. For the coming financial year, we foresee an increase of demand from our existing customers due to the strengthening of USA economy. We are targeting a revenue growth of 15% for the coming year from our Manufacturing Segment.

Amidst the current economic condition, our Communication, System & Integration Segment managed to secure contracts to implement a rail communication system and a maritime communication and tracking system for the local authorities. We have also submitted tender bids in excess of RM200 million for both local and overseas projects. We anticipate some of these projects will materialise in the coming financial year. Our green technology sector is expected to commission our first maiden plant before the end of the coming financial year.

Barring any unforeseen circumstances, we are expecting to perform better financially in the coming year.

**B4 Profit Forecast or Profit Guarantee**

The Group did not announce or disclose any profit forecast or profit guarantee during the current financial quarter under review.

**B5 Profit / (Loss) Before Taxation**

	Current Year Quarter Ended 31.01.2014 RM'000	Preceding Year Quarter Ended 31.01.2013 RM'000	Current Year To Date 31.01.2014 RM'000	Preceding Year To Date 31.01.2013 RM'000
Profit / (Loss) before taxation is arrived at after charging / (crediting):-				
Interest Income	(99)	(80)	(201)	(213)
Other Income (excluding interest income)	(245)	(261)	(958)	(1,057)
Interest Expenses	715	846	2,832	3,458
Depreciation of property, plant & equipment	736	1,191	3,891	4,737
Warranty cost incurred	245	173	8	64
(Gain) on disposal of property, plant & Equipment	-	(2)	(98)	(77)
(Gain) on foreign exchange	(531)	(547)	(40)	528

Other than the items mentioned above, there were no provision for and /or write off of inventories, impairment of assets, gain or loss on derivatives and exceptional items for the current quarter and financial period ended 31 January 2014.

**B6 Taxation**

	Current Quarter 31.01.2014 RM'000	Current Year To Date 31.01.2014 RM'000
<u>Malaysian Taxation</u>		
- Current	-	70
- Deferred	153	153
<u>Under / (Over) provision in prior year</u>		
- Income tax	(566)	(566)
	<u>(413)</u>	<u>(343)</u>

**B7 Profit or Loss on Sales of Unquoted Investments and Properties**

The Group has not disposed of any unquoted investments or properties during the current quarter under review.

**B8 Quoted Securities**

There was no purchase or disposal of quoted securities in the current quarter.

**B9 Corporate Proposals**

There were no corporate proposals announced and not completed as at the date of this report.

**B10 Realised and Unrealised Profit/(Loss) Disclosure for the Current Year to date**

	Current Year To Date 31.01.2014 RM'000	(Audited) Year To Date 31.01.2013 RM'000
Total retained profits / (accumulated losses) of COMCORP and its subsidiaries :		
- Realised	15,465	22,197
- Unrealised	(2,917)	(4,759)
	12,548	17,438
	12,548	17,438
Less: Consolidation adjustments	(23,746)	(24,115)
Total group (accumulated losses) as per consolidated accounts	(11,198)	(6,677)

**B11 Group Borrowings**

	Payable within 12 months	Payable after 12 months	Total
<u>Secured</u>	RM'000	RM'000	RM'000
Bank Borrowings	80,855	-	80,855
Hire purchase payables	252	393	645
Total Borrowings	81,107	393	81,500

**B12 Off Balance Sheet Financial Instrument**

There were no off balance sheet financial instruments as at the date of this report that might materially affect the Group's business position.

## B13 Changes in material litigation

Save as disclosed below, Comintel Corporation Bhd ("Comcorp") and its subsidiary companies are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Directors of Comcorp have no knowledge of any proceedings pending or threatened against Comcorp and/or its subsidiary companies or of any facts likely to give rise to any proceedings which may materially and adversely affect the position and/or business of Comcorp and its subsidiary companies:-

### As Previously Reported:

On 16 July 2010, Comintel Sdn Bhd ("Comintel"), a wholly owned subsidiary of the Company, commenced legal action against U Television Sdn Bhd ("1st Defendant") and Tan Sri Dato' Seri Vincent Tan Chee Yioun ("2nd Defendant") at the Kuala Lumpur High Court under suit no. S-22-624-2010.

The trial was held on 8.4.2013, 9.4.2013, 12.4.2013, 26.4.2013 and 19.6.2013.

On 3.10.2013, the Judge delivered her decision as follows:-

1. The Plaintiff's claim for RM 11,217,797.84 in respect of the remaining value of work done for Phase I of the Project is allowed;
2. Special damages in the way of storage and insurance costs of the Transmitters is allowed up to the time of the removal of the transmitters by the 1st Defendant, and the latest account to be provided by the Plaintiff;
3. Interest at the rate of 5% per annum on the amounts awarded from the date of filing of the Writ to the date of full realization;
4. In the event the 1st Defendant fails to make payment of the judgment sum, the 2nd Defendant shall be liable to pay;
5. The 1st Defendant's counterclaim is dismissed;
6. Consequential order that the 1st Defendant remove the entire transmitter system that is currently stored in the Plaintiff's premises and the bonded warehouse within a month; and
7. Costs of RM 75,000.00 to be paid by the Defendants to the Plaintiff. **(the Judgment)**"

On 11.10.2013, the Defendants applied for a stay of execution of the Judgment **(the Stay Application)**. The Stay Application was fixed for hearing on 16.10.2013 where the Judge made the following orders:

1. The Defendants to pay into a stakeholder's account held jointly by the solicitors of the Plaintiff and the Defendants, namely Messrs Gan Partnership and Messrs Lee Hishammuddin Allen & Gledhill respectively the following sums:
  - (a) RM11,217,797.84 together with interest thereon at the rate of 5% per annum from 5.07.2010 until the date of payment of the said sum into the joint stakeholders' account; and
  - (b) storage and insurance costs of the Transmitters in the sum of RM284,905.15 as at 31.10.2012 together with interest thereon at the rate of 5% per annum from 5.07.2010 until the date of payment of the said sum into the joint stakeholders' account, within 14 days from 16.10.2013.
2. all forms and/or mode of execution and/or enforcement proceedings based on and/or arising from and/or in relation to the Judgment and/or Order dated 3.10.2013 given by the High Court ("**Judgment**"), including but not limited to commencing and/or filing of winding-up proceedings against the 1<sup>st</sup> Defendant and/or bankruptcy proceedings against the 2<sup>nd</sup> Defendant in order to enforce payment of the Judgment, be stayed forthwith until the full and disposal of the Defendants' appeal to the Court of Appeal against the Judgment ("**Appeal**");
3. the operation and/or the enforcement and/or the execution of the Judgment be stayed and/or suspended pending the disposal of the Defendants' Appeal to the Court of Appeal;
4. In the event the Defendants' said Appeal to the Court of Appeal is dismissed, the monies in the joint stakeholders' account are to be released to the Plaintiff forthwith;
5. In the event the Defendants' Appeal to the Court of Appeal is allowed, the monies in the joint stakeholders' account are to be returned to the Defendants forthwith;
6. Cost of this application shall be in the cause of the Defendants' said Appeal to the Court of Appeal; and
7. Parties are at liberty to apply.

RM13,420,473.93 was placed in REPO on 11.11.2013.

### **Current Update**

The parties are unable to agree on the draft Judgment. There are two areas of disagreement between the parties in respect of the draft Judgment, namely (1) whether the penal notice ought to be included and (2) whether the Judge had ordered the 1<sup>st</sup> Defendant to “take delivery” of the transmitters or to “remove” the transmitters. An appointment was fixed before the Deputy Registrar on 29.11.2013 and 9.12.2013 to settle the terms of the draft Order. On 9.12.2013, the Deputy Registrar having sought clarification from the Judge, informed the parties that – (1) the penal notice need not be included. This is because, given that the issue of the removal of the transmitters was not pleaded, it is therefore only a consequential order. There is only monetary judgment involved which does not necessitate a penal notice. Further, parties agreed during delivery of judgment that the transmitters will be removed within a reasonable time which parties mutually agree. Therefore, there is no time frame for parties to comply with the Judgment and (2) the Judge had ordered that the 1<sup>st</sup> Defendant is to “remove” the transmitters.

The Defendants have appealed against the High Court Judgment on 9.10.2013. No hearing date has been fixed for the appeal.

Further to the appointment before the High Court Judge, YA Dato' Hue Siew Kheng on 21.02.2014, it was decided by the judge that penal notice ought to be endorsed on the Judgment. Sealed Judgement from the High Court has been received.

An application to vary the Stay Order was filed 28.02.2014 and case management was on 26.03.2014. It was directed by the court that :

- (1) Comintel to file its affidavit in reply by 4.04.2014
- (2) UTV to file its reply by 18.04.2014 and
- (3) Both parties to file their skeletal submissions by 7.05.2014

Further case management is fixed on 17.05.2014.

As at todate, there is no case management date fixed for the Defendant's appeal to the Court of Appeal. However, the Grounds of Judgment has been released.

**B14 Proposed Dividends**

There were no dividends declared or proposed by the Company for the financial quarter under review.

**B15 Earnings Per share ("EPS")**

The basic earnings per share is calculated by dividing profit for the period attributable to ordinary equity owners of the parent by the weighted average number of ordinary shares in issue during the financial quarter ended 31 January 2014 and is as follows:-

	Current Qtr 31.01.2014	Cumulative Qtr To-date 31.01.2014
Profit / (Loss) attributable to owners of the parent (RM'000)	2,332	(4,521)
Weighted average number of ordinary shares in issue (based on ordinary share of RM0.50 each) ('000)	140,000	140,000
Profit / (Loss) per share (sen)	1.67	(3.23)

**B16 Comparative Figures**

Comparative figures, where applicable, have been modified to conform with the current quarter presentation.

**B17 Audit Report Qualification and Status of Matters Raised**

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

**B18 Authorisation for issue**

These unaudited interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 March 2014.

**Date:** 27-Mar-2014