



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012**

	(Unaudited)	(Audited)	(Audited)
	As At	As At	As At
	31.12.12	31.12.11	01.01.11
	RM'000	RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	194,456	118,054	105,161
Intangible asset	3	4	6
Available-for-sales investment	0	0	221
Deferred tax assets	2,966	4,658	5,602
	<u>197,425</u>	<u>122,716</u>	<u>110,990</u>
Current assets			
Inventories	23,942	23,805	27,540
Trade receivables	27,707	30,222	28,386
Other receivables, deposits and prepayments	208	52,818	403
Tax recoverable	41	248	71
Cash and cash equivalents	3,217	18,486	2,661
	<u>55,115</u>	<u>125,579</u>	<u>59,061</u>
TOTAL ASSETS	<u>252,540</u>	<u>248,295</u>	<u>170,051</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the company			
Share capital	60,000	60,000	60,000
Preference share	8	0	0
Share premium	8,332	0	0
Other reserve	0	0	19
Retained earnings	64,139	61,068	57,509
	<u>132,479</u>	<u>121,068</u>	<u>117,528</u>
Non controlling interest	99	1,126	0
Total equity	<u>132,578</u>	<u>122,194</u>	<u>117,528</u>
Non-current liability			
Borrowings	22,187	25,937	360
	<u>22,187</u>	<u>25,937</u>	<u>360</u>
Current liabilities			
Borrowings	61,560	60,549	32,214
Trade payables	11,428	9,136	11,593
Other payables	24,100	29,896	7,531
Dividend payables	1	6	785
Current tax payable	686	577	40
	<u>97,775</u>	<u>100,164</u>	<u>52,163</u>
Total liabilities	<u>119,962</u>	<u>126,101</u>	<u>52,523</u>
TOTAL EQUITY AND LIABILITIES	<u>252,540</u>	<u>248,295</u>	<u>170,051</u>
Net Assets per Share (RM)	0.55	0.50	0.49
Net Assets (RM'000)	132,479	121,068	117,528

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTHS PERIOD ENDED 31 DECEMBER 2012**

	3 months ended		12 months ended	
	31.12.12	31.12.11	31.12.12	31.12.11
	RM'000	RM'000	RM'000	RM'000
Revenue	44,050	44,847	189,680	182,002
Cost of sales	(38,831)	(37,888)	(163,848)	(156,404)
Gross profit	<u>5,219</u>	<u>6,959</u>	<u>25,832</u>	<u>25,598</u>
Other operating income	48	18	118	54
Operating expenses	(3,610)	(3,437)	(12,931)	(13,869)
Finance costs	(861)	(551)	(3,391)	(1,781)
Profit before tax	<u>796</u>	<u>2,989</u>	<u>9,628</u>	<u>10,002</u>
Income tax expense	(1,214)	(778)	(4,452)	(2,917)
PROFIT/ (LOSS) FOR THE PERIOD / YEAR	<u>(418)</u>	<u>2,211</u>	<u>5,176</u>	<u>7,085</u>
OTHER COMPREHENSIVE INCOME				
Available for sale financial assets				
- Reclassification adjustment for gain included in profit or loss	0	0	0	(19)
Total comprehensive income for the period / year	<u>(418)</u>	<u>2,211</u>	<u>5,176</u>	<u>7,066</u>
Profit for the period attributable to:				
- Equity holders of the company	64	2,285	6,671	7,159
- Non-controlling interests	(482)	(74)	(1,495)	(74)
Total comprehensive income for the period attributable to:				
- Equity holders of the company	64	2,285	6,671	7,140
- Non-controlling interests	(482)	(74)	(1,495)	(74)
Earnings per share attributable to equity holders of the company :				
Basic earnings per share (sen)	<u>0.03</u>	<u>0.95</u>	<u>2.79</u>	<u>2.97</u>
Diluted earnings per share (sen)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Attributable to Equity Holders of the Company					Non Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Preference Share RM'000	Share Premium RM'000	Non-Distributable Other Reserve RM'000	Distributable Retained Earnings RM'000		
At 1 January 2011	60,000	0	0	19	57,509	0	117,528
Total comprehensive income for the year	0	0	0	(19)	7,159	(74)	7,066
Ordinary shares contributed by non-controlling interests of a subsidiary company	0	0	0	0	0	1,200	1,200
Dividend	0	0	0	0	(3,600)	0	(3,600)
At 31 December 2011	60,000	0	0	0	61,068	1,126	122,194
At 1 January 2012	60,000	0	0	0	61,068	1,126	122,194
Total comprehensive income for the year	0	0	0	0	6,671	(1,495)	5,176
Ordinary / Preference shares contributed by non-controlling interests of a subsidiary company	0	8	8,332	0	0	468	8,808
Dividend	0	0	0	0	(3,600)	0	(3,600)
At 31 December 2012	60,000	8	8,332	0	64,139	99	132,578

(The Unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011)



**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	12 months ended	
	31.12.12 RM'000	31.12.11 RM'000
Cash flow from operating activities		
Profit before tax	9,628	10,002
Adjustments for :		
Amortisation of intangible asset	1	2
Bad debts written off	23	0
Depreciation and amortisation	16,398	13,141
Interest expense	3,391	1,781
Interest income	28	21
Unrealised gain on foreign exchange	480	125
Gain on disposal of property, plant and equipment	(83)	(131)
Gain on disposal of available-for-sale financial assets	0	(26)
Property, plant and equipment written off	0	5
Operating profit before working capital changes	29,866	24,920
Decrease / (Increase) in inventories	(137)	3,735
Decrease / (Increase) in trade and other receivables	2,440	(54,248)
(Decrease) / Increase in trade and other payables	(3,955)	19,822
Cash generated from operations	28,214	(5,771)
Interest paid	(3,391)	(1,781)
Interest received	(28)	(21)
Tax paid	(2,444)	(1,613)
Net cash flow from operating activities	22,351	(9,186)
Cash flow from investing activities		
Proceeds from disposal of property, plant and equipment	108	306
Purchase of property, plant and equipment	(40,165)	(26,214)
Proceed from disposal of available-for-sale financial assets	0	228
Preference share capital contributed by non-controlling interests of a subsidiary company	8,340	0
Ordinary share capital contributed by non-controlling interests of a subsidiary company	468	1,200
Net cash flow from investing activities	(31,249)	(24,480)
Cash flow from financing activities		
Dividends paid	(3,605)	(4,379)
Proceeds from short term bank borrowings	178,074	160,957
Repayment of short term bank borrowings	(181,969)	(137,564)
Proceed from term loan	0	30,000
Repayment of term loans	(4,030)	(2,115)
Net cash flow from financing activities	(11,530)	46,899
Net change in cash and cash equivalents	(20,428)	13,233
Effect of exchange rate changes on cash and cash equivalents	(1)	14
Cash and cash equivalents at beginning of the financial year	15,684	2,437
Cash and cash equivalents at end of the financial year	(4,745)	15,684

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

	As at	
	31.12.12 RM'000	31.12.11 RM'000
Cash and cash equivalents	3,217	18,486
Bank overdrafts	(7,962)	(2,802)
	(4,745)	15,684

(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011)



NOTES TO THE INTERIM FINANCIAL REPORT

PART A : EXPLANATORY NOTES AS PER MFRS 134

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards ('MFRS') No. 134: Interim Financial Reporting and paragraph 9.22 of the Main Reporting Standards Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2011.

These are the Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards has been applied. The transition to MFRS framework does not have any financial impact to the financial statements of the Group.

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group :

Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRSs	Annual Improvements 2009-2011 Cycle
Amendments to MFRS 10, MFRS 11 and MFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
MFRS 3	Business Combinations (as issued by the International Accounting Standards Board ('IASB') in March 2004)
MFRS 127	Consolidated and Separate Financial Statements (as issued by the IASB in December 2003)
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities
Mandatory Effective Date of MFRS 9 and Transition Disclosures	
MFRS 9	Financial Instruments

A2. Auditors' Report

The auditors' report on the financial statements for the financial year ended 31 December 2011 was not subject to any qualification.

A3. Seasonal and Cyclical factors

The Group's products are subject to some seasonality whereby production usually slows down slightly in the first quarter of the year. Production runs normally from the second quarter and peaks in third and fourth quarters before the major festivals such as Hari Raya, Christmas day, New Year and Chinese New Year.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows because of their nature, size, or incidence for the current quarter under review and financial year to date.

A5. Material Changes in Estimates

There were no other changes in accounting estimates of amounts reported in prior interim periods or the current financial period or changes in estimates of amounts reported in prior financial years. The Group adopts the FIFO costing method except for a new subsidiary company, TS Solartech Sdn. Bhd. which adopts the weighted average costing method as the Directors are of the opinion that the weighted average costing method is more appropriate for the solar cell operating segment.



NOTES TO THE INTERIM FINANCIAL REPORT

A6. Issuances and repayment of debt and equity securities

There was no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current financial quarter under review.

A7. Dividend paid

The first and final dividend of 2 sen per ordinary share less 25% of income tax in respect of the financial year ended 31 December 2011 was paid on 5 September 2012.

A8. Other Operating income

	Current Quarter 31.12.2012 RM'000	12 months Cumulative 31.12.2012 RM'000
Rental income	2	7
Interest income	0	28
Gain on disposal of property and equipment	46	83
Total other operating income	<u>48</u>	<u>118</u>

A9. Operating expenses

	Current Quarter 31.12.2012 RM'000	12 months Cumulative 31.12.2012 RM'000
Advertisement	1	38
Depreciation and amortisation	164	678
Foreign exchange (gain) / loss	42	(1,057)
Rental	4	16
Salaries, allowances and bonus	1,337	4,983
Transportation	1,367	5,376
Water and electricity	18	75
General repairs and maintenance	118	582
Others	559	2,240
Total operating expenses	<u>3,610</u>	<u>12,931</u>

A10. Finance costs

	Current Quarter 31.12.2012 RM'000	12 months Cumulative 31.12.2012 RM'000
Interest on bank overdraft	10	30
Interest on bankers' acceptance	471	1,780
Interest on term loan	374	1,563
Others	6	18
Total finance costs	<u>861</u>	<u>3,391</u>



NOTES TO THE INTERIM FINANCIAL REPORT

A11. Segmental Reporting

Segmental information is presented in respect of the Group's business segments:-

	<u>PVC</u> <u>Sheeting</u> RM'000	<u>PP Non-</u> <u>Woven</u> RM'000	<u>PVC</u> <u>Leather</u> RM'000	<u>Others</u> RM'000	<u>Solar Cell</u> RM'000	<u>Group</u> RM'000
1 October 2012 to						
31 December 2012						
Revenue						
External Revenue	41,148	3,647	2,589	4,804	207	52,395
Inter segment elimination	(6,972)	(965)	0	(408)	0	(8,345)
	34,176	2,682	2,589	4,396	207	44,050
Results						
Segment results	3,955	310	300	509	(3,465)	1,609
Other operating income	37	3	3	5	0	48
Finance costs	(670)	(53)	(51)	(86)	(1)	(861)
Profit before tax	3,322	260	252	428	(3,466)	796
Income tax expense	(946)	(74)	(72)	(122)	0	(1,214)
Profit for the period	2,376	186	180	306	(3,466)	(418)

	<u>PVC</u> <u>Sheeting</u> RM'000	<u>PP Non-</u> <u>Woven</u> RM'000	<u>PVC</u> <u>Leather</u> RM'000	<u>Others</u> RM'000	<u>Solar Cell</u> RM'000	<u>Group</u> RM'000
1 October 2011 to						
31 December 2011						
Revenue						
External Revenue	40,320	3,820	2,463	6,174	0	52,777
Inter segment elimination	(6,503)	(972)	0	(455)	0	(7,930)
	33,817	2,848	2,463	5,719	0	44,847
Results						
Segment results	2,656	224	193	449	0	3,522
Other operating income	14	1	1	2	0	18
Finance costs	(415)	(35)	(30)	(71)	0	(551)
Profit before tax	2,255	190	164	380	0	2,989
Income tax expense	(587)	(49)	(43)	(99)	0	(778)
Profit for the period	1,668	141	121	281	0	2,211

	<u>PVC</u> <u>Sheeting</u> RM'000	<u>PP Non-</u> <u>Woven</u> RM'000	<u>PVC</u> <u>Leather</u> RM'000	<u>Others</u> RM'000	<u>Solar Cell</u> RM'000	<u>Group</u> RM'000
1 January 2012 to						
31 December 2012						
Revenue						
External Revenue	171,998	14,140	10,336	29,129	207	225,810
Inter segment elimination	(30,496)	(3,773)	(8)	(1,853)	0	(36,130)
	141,502	10,367	10,328	27,276	207	189,680
Results						
Segment results	15,348	1,124	1,120	2,959	(7,650)	12,901
Other operating income	88	7	6	17	0	118
Finance costs	(2,532)	(185)	(185)	(488)	(1)	(3,391)
Profit before tax	12,904	946	941	2,488	(7,651)	9,628
Income tax expense	(3,325)	(243)	(243)	(641)	0	(4,452)
Profit for the period	9,579	703	698	1,847	(7,651)	5,176



NOTES TO THE INTERIM FINANCIAL REPORT

A11. Segmental Reporting (Continued)

	<u>PVC</u> <u>Sheeting</u> RM'000	<u>PP Non-</u> <u>Woven</u> RM'000	<u>PVC</u> <u>Leather</u> RM'000	<u>Others</u> RM'000	<u>Solar Cell</u> RM'000	<u>Group</u> RM'000
1 January 2011 to 31 December 2011						
Revenue						
External Revenue	166,978	13,002	11,180	24,424	0	215,584
Inter segment elimination	(28,582)	(3,176)	(3)	(1,821)	0	(33,582)
	<u>138,396</u>	<u>9,826</u>	<u>11,177</u>	<u>22,603</u>	<u>0</u>	<u>182,002</u>
Results						
Segment results	8,919	633	720	1,457	0	11,729
Other operating income	41	3	3	7	0	54
Finance costs	(1,354)	(96)	(109)	(222)	0	(1,781)
Profit before tax	<u>7,606</u>	<u>540</u>	<u>614</u>	<u>1,242</u>	<u>0</u>	<u>10,002</u>
Income tax expense	(2,218)	(158)	(179)	(362)	0	(2,917)
Profit for the period	<u><u>5,388</u></u>	<u><u>382</u></u>	<u><u>435</u></u>	<u><u>880</u></u>	<u><u>0</u></u>	<u><u>7,085</u></u>

A12. Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment by the Group since the last audited financial statements for the financial year ended 31 December 2011.

A13. Subsequent Events

There were no material events between the end of the reporting quarter and the date of this announcement.

A14. Changes In The Composition of The Group

On 31 January 2012, the Company subscribed for an additional 12.2% interest in the equity shares of TS Solartech Sdn Bhd for a total cash consideration of RM2,532,000 when the share capital of TS Solartech Sdn Bhd was increased from RM3,000,000 to RM6,000,000. On 01 September 2012, the Company subscribed for an additional 13.90% interest in the equity shares of TS Solartech Sdn Bhd for a total cash consideration of RM6,000,000 when the share capital of TS Solartech Sdn Bhd was increased from RM6,000,000 to RM12,000,000.

A15. Contingent Liabilities

As at 31 December 2012, the Group has no material contingent liabilities save for a corporate guarantee of RM140,223,605 issued by the Company in respect of banking facilities granted to the subsidiary companies.

A16. Capital Commitments

The amount of commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 31 December 2012 is as follows :-

	RM'000
Contracted but not provided for	<u><u>10,294</u></u>



NOTES TO THE INTERIM FINANCIAL REPORT

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. Review of Performance

a) Current Year-to date vs. Previous Year-to-date

For the financial period ended 31 December 2012, the Group recorded a revenue of RM189.7 million while profit before tax was recorded at RM9.6 million. As compared to corresponding period of 31 December 2011, the revenue has increased by RM7.68 million but the Group's profit before tax has decreased by RM0.4 million as a result of higher production overhead.

Performance of the respective operating business segments for the period ended 31 December 2012 as compared to the previous year is analysed as follows:-

- 1) Sheeting - The increase in profit before tax by RM5.3 million to RM12.9 million was mainly due to lower purchase costs of raw materials, increase of selling price and unrealised forex gain.
- 2) PP Non Woven - The increase in profit before tax by RM406,000 to RM946,000 was mainly due to lower purchase costs of raw materials.
- 3) PVC Leather - The increase in profit before tax by RM327,000 to RM941,000 was mainly due to unrealised forex gain.
- 4) Others - The increase in profit before tax by RM1.2 million to RM2.49 million was mainly due to higher demand of PVC Sponge and unrealised forex gain.
- 5) Solar Cell - The loss before tax RM7.6 million was mainly due to this segment only commenced commercial operations during 4th quarter of 2012 with high operating expenses.

b) Current Quarter vs. Previous Year Corresponding Quarter

For the current quarter, the Group recorded a revenue of RM44 million while profit before tax was recorded at RM0.8 million. The major contributor of the Group's revenue was PVC sheeting, which contributed approximately 77.58% towards the current quarter. As compared to corresponding quarter of 31 December 2011, the revenue has decreased by RM0.8 million and the Group's profit before tax has decreased by RM2.2 million as a result of lower turnover and higher production overhead.

Performance of the respective operating business segments for the current quarter ended 31 December 2012 as compared to the previous corresponding quarter is analysed as follows:-

- 1) Sheeting - The increase in profit before tax by RM1.07 million to RM3.3 million was mainly due to lower purchase costs of raw materials and increase of selling price
- 2) PP Non Woven - The increase in profit before tax by RM70,000 to RM260,000 was mainly due to lower purchase costs of raw materials.
- 3) PVC Leather - The increase in profit before tax by RM88,000 to RM252,000 was mainly due to decrease of purchase costs.
- 4) Others - The increase in profit before tax by RM48,000 to RM428,000 was mainly due to higher demand from export market of PVC Sponge.
- 5) Solar Cell - The loss before tax RM3.47 million was mainly due to this segment only commenced commercial operations during 4th quarter of 2012 with high operating expenses.

B2. Variation of Results Against Preceding Quarter

A comparison of the quarterly results of the current and preceding quarter is as follows:

	Current Quarter 01/10/12-31/12/12 RM'000	Preceding Quarter 01/07/12-30/09/12 RM'000
Profit before tax	796	1,902
Total comprehensive income for the year	(418)	613

The Group's profit before tax for the current quarter decreased by RM1.1 million from RM1.9 million as recorded in the preceding quarter to RM0.8 million. This was mainly due to losses suffered by TS Solartech Sdn Bhd which had only commenced commercial operations during the 4th Quarter of 2012 with high operating expenses .



NOTES TO THE INTERIM FINANCIAL REPORT

B3. Prospects

The Board of Directors foresee the performance of the Group for 2013 to remain stable for its PVC business although it may be affected by fluctuation in the price of raw materials and the solar cell segment will begin to contribute positively to the Group. However, the Group will be taking cautious approach to mitigate the exposure by improving its operational efficiency and product quality as well as enhancement of its product range. The Group will also look into exploring new market share in the region.

B4. Variance of Actual and Forecast Revenue

Not applicable.

B5. Income Tax Expense

	Current Quarter 31.12.12 RM'000	12 months Cumulative 31.12.12 RM'000
Current tax expense		
- current	600	2,757
- prior years	0	3
Deferred tax expense		
Origination and reversal of temporary differences		
- current	614	1,692
Total tax expense	1,214	4,452

The Group's effective tax rate for the current period was higher than the statutory tax rate of 25% due to certain expenses which are not deductible for tax purposes.

B6. Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and/or properties for the current quarter and financial year to date.

B7. Status of Corporate Proposal

There were no corporate proposals announced as at the date of issue of this interim financial report.

B8. Group Borrowings

The Group's borrowings as at 31 December 2012 were as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Short term</u>			
Bank overdrafts	7,962	0	7,962
Bankers' acceptance	39,817	0	39,817
Foreign currency trust receipt	1,835	0	1,835
On-shore foreign currency financing	2,968	0	2,968
On-shore foreign currency loan	3,721	0	3,721
Revolving credit	1,070	0	1,070
Term loans	4,187	0	4,187
	61,560	0	61,560
<u>Long term</u>			
Term loan	22,187	0	22,187
	22,187	0	22,187
Total borrowings	83,747	0	83,747



NOTES TO THE INTERIM FINANCIAL REPORT

B8. Group Borrowings (Continued)

Borrowings denominated in foreign currency:

	USD'000	RM'000 Equivalent
Foreign currency trust receipt	600	1,835
On-shore foreign currency financing	970	2,968
On-shore foreign currency loan	1,217	3,721
Revolving credit	350	1,070

B9. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B10. Material Litigation

The Group is not engaged in any material litigation as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B11. Breakdown of Realised and Unrealised Profits or Losses of the Group

	At end of current financial year 31.12.2012 RM'000	At end of previous financial year 31.12.2011 RM'000
Total retained profits of Tek Seng Holdings Berhad and its subsidiaries :		
- Realised profits	87,353	83,480
- Unrealised profits	2,486	4,783
	<u>89,839</u>	<u>88,263</u>
Less : Consolidation adjustments	(25,700)	(27,195)
Total Group retained profits as per consolidated accounts	<u>64,139</u>	<u>61,068</u>

B12. Basis of Calculation of Earnings Per Share

The basic earnings per share for the current quarter and cumulative months to date are computed as follow:

	Individual Current Quarter 31.12.12	Cumulative Months To Date 31.12.12
Net profit attributable to ordinary equity holders of the company (RM'000)	<u>64</u>	<u>6,671</u>
Weighted average number of ordinary shares of RM0.25 each in issue ('000)	<u>240,000</u>	<u>240,000</u>
Basic Earnings Per Share based on weighted average number of ordinary shares of RM0.25 each in issue (sen)	<u>0.03</u>	<u>2.79</u>

There is no diluted earnings per share as there were no potential dilutive ordinary shares outstanding as at the end of the reporting year.



德成控股有限公司
TEK SENG HOLDINGS BERHAD (579572-M)

NOTES TO THE INTERIM FINANCIAL REPORT

B13. Reviews By External Auditors

The Board had engaged the external auditors to review and report on the condensed consolidated financial statements of Tek Seng Holdings Bhd for the quarter and twelve months ended 31 December 2012 in accordance with International Standard on Review Engagements 2410 (ISRE2410), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

The external auditors reported to the Board that nothing has come to their attention that causes them to believe that the said condensed consolidated financial statements were not prepared, in all material respects, in accordance with MFRS134 : Interim Financial Reporting in Malaysia. The report was made to the Board in accordance to the terms of reference with the external auditors and for no other purpose.

By order of the Board

TEK SENG HOLDINGS BERHAD

LOH KOK BENG
EXECUTIVE CHAIRMAN

Dated : 26 February 2013