



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

The Board of Directors of Signature International Berhad (“SIB” or “the Company”) is pleased to announce the following unaudited consolidated results of SIB and its subsidiaries (collectively known as “the Group”) for the year ended 30 June 2013

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 June 2013 RM'000	Preceding Period Corresponding Quarter Ended 30 June 2012 RM'000	Current Period Ended 30 June 2013 RM'000	Preceding Period Ended 30 June 2012 RM'000
Revenue	36,349	17,851	120,506	96,765
Operating expenses	(37,383)	(21,174)	(113,614)	(90,797)
Other operating income	1,841	2,112	3,045	4,691
Profit from operations	807	(1,211)	9,937	10,659
Finance costs	(522)	(353)	(1,599)	(1,473)
Profit before taxation	285	(1,564)	8,338	9,186
Tax expense	(1,571)	(628)	(3,585)	(3,607)
Profit/(Loss) after taxation	(1,286)	(2,192)	4,753	5,579
Other Comprehensive Income, Net of Tax				
Foreign currency translation	57	(14)	348	(58)
Total Comprehensive Income for the period	(1,229)	(2,206)	5,101	5,521

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial report.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013 (CONT'D)

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 June 2013 RM'000	Preceding Period Corresponding Quarter Ended 30 June 2012 RM'000	Current Period Ended 30 June 2013 RM'000	Preceding Period Ended 30 June 2012 RM'000
Profit after tax attributable to:-				
- Equity holders of the parent	(1,364)	(1,975)	4,260	5,332
- Non-controlling interest	78	(217)	493	247
	<u>(1,286)</u>	<u>(2,192)</u>	<u>4,753</u>	<u>5,579</u>
Total Comprehensive Income attributable to: -				
- Equity holders of the parent	(1,307)	(1,989)	4,608	5,274
- Non-controlling interest	78	(217)	493	247
	<u>(1,229)</u>	<u>(2,206)</u>	<u>5,101</u>	<u>5,521</u>
Earnings per share (sen)				
- Basic	<u>(1.2)</u>	<u>(1.6)</u>	<u>3.7</u>	<u>4.4</u>
- Diluted	<u>Not applicable</u>	<u>Not applicable</u>	<u>Not applicable</u>	<u>Not applicable</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial report.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	UNAUDITED	AUDITED	RESTATED
	As at	As at	As at
	30 June 2013	30 June 2012	1 July 2011
	RM'000	RM'000	RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	47,524	47,214	25,146
Investment properties	16,400	15,445	14,956
Long term receivables	3,562	2,093	3,715
	<u>67,486</u>	<u>64,752</u>	<u>43,817</u>
Current Assets			
Inventories	14,835	11,581	10,258
Amount owing by contract customers	7,390	4,007	2,803
Receivables - net of deposits received	53,769	44,197	46,566
Tax recoverable	1,596	1,843	2,871
Short-term investments	27,871	27,931	12,493
Fixed deposit with licensed banks	155	150	166
Cash and bank balances	19,560	15,715	21,042
	<u>125,176</u>	<u>105,424</u>	<u>96,199</u>
TOTAL ASSETS	<u>192,662</u>	<u>170,176</u>	<u>140,016</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial report.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013 (CONT'D)

	UNAUDITED As at 30 June 2013 RM'000	AUDITED As at 30 June 2012 RM'000	RESTATED As at 1 July 2011 RM'000
EQUITY AND LIABILITIES			
Equity			
Share capital	60,000	60,000	60,000
Reserves	42,935	41,328	32,567
Shareholders' equity	102,935	101,328	92,567
Non-controlling interest	2,397	1,904	1,461
TOTAL EQUITY	105,332	103,232	94,028
Non-Current Liabilities			
Hire purchase payables	1,255	550	721
Term loans	17,477	18,969	9,166
Deferred taxation	2,547	2,430	456
	21,279	21,949	10,343
Current Liabilities			
Payables	28,198	22,522	18,971
Amount owing to contract customers	34,863	19,969	15,161
Provision for taxation	301	109	269
Hire purchase payables	302	251	309
Term loan	2,387	2,144	935
	66,051	44,995	35,645
TOTAL LIABILITIES	87,330	66,944	45,988
TOTAL EQUITY AND LIABILITIES	192,662	170,176	140,016
Net assets per ordinary share attributable to ordinary equity holders of the Company (RM)	0.86	0.84	0.77

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial report.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013

	Attributable to equity holders of the parent							Attributable To owners of The Company RM'000	Non- controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Merger Deficit RM'000	Exchange Translation Reserve RM'000	Retained Profits RM'000			
At 1 July 2012										
as previously stated	60,000	-	-	7,196	(28,567)	(339)	63,038	101,328	1,904	103,232
- Effect of transition to MFRS	-	-	-	(7,196)	-	281	6,915	-	-	-
At 1 July 2012, as restated	60,000	-	-	-	(28,567)	(58)	69,953	101,328	1,904	103,232
Reversal of merger deficit	-	-	-	-	444	-	(444)	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	67	4,260	4,327	493	4,820
Own shares acquired	-	(920)	-	-	-	-	-	(920)	-	(920)
Dividend paid	-	-	-	-	-	-	(1,800)	(1,800)	-	(1,800)
At 30 June 2013	60,000	(920)	-	-	(28,123)	9	71,969	102,935	2,397	105,332

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial report.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013 (CONT'D)

	Attributable to equity holders of the parent							Attributable To owners of The Company RM'000	Non- controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Merger Deficit RM'000	Exchange Translation Reserve RM'000	Retained Profits RM'000			
At 1 July 2012										
as previously stated	60,000	-	-	7,196	(28,567)	(339)	63,038	101,328	1,904	103,232
- Effect of transition to MFRS	-	-	-	(7,196)	-	281	6,915	-	-	-
At 1 July 2012, as restated	60,000	-	-	-	(28,567)	(58)	69,953	101,328	1,904	103,232
Reversal of merger deficit	-	-	-	-	444	-	(444)	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	67	4,260	4,327	493	4,820
Own shares acquired	-	(920)	-	-	-	-	-	(920)	-	(920)
Dividend paid	-	-	-	-	-	-	(1,800)	(1,800)	-	(1,800)
At 30 June 2013	60,000	(920)	-	-	(28,123)	9	71,969	102,935	2,397	105,332

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial report.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2013

	Financial Year Ended 30 June 2013 RM'000	Preceding Year Ended (Audited) 30 June 2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	8,338	9,186
Adjustments:		
Amortisation and depreciation	2,389	2,410
Loss / (Gain) on disposal of property, plant and equipment	64	93
Loss / (Gain) on disposal of investment properties	-	7
Loss / (Gain) on disposal of a subsidiary	(257)	-
Provision for doubtful debts	1,097	4,632
Plant and equipment written off	134	22
Write-back of provision for doubtful debts	(826)	(1,914)
Bad debts written off	-	55
Gain/(Loss) on foreign exchange - unrealised	442	(600)
Dividend Income from short term investments	(195)	(183)
Interest income	(268)	(212)
Interest expense	1,020	892
Changes in working capital	11,938	14,388
Inventories	(3,254)	(1,324)
Receivables	(10,026)	1,414
Amount owing by contract customers	9,566	3,604
Payables	5,676	3,527
Cash generated from operations	13,900	21,609
Interest received	268	212
Interest paid	(1,020)	(892)
Income tax paid	(4,330)	(2,727)
Net cash inflow from operating activities	8,818	18,202
CASH FLOWS FROM / (USED) IN INVESTING ACTIVITIES		
Additions of property, plant and equipment and prepaid lease rentals	(2,102)	(16,670)
Additional Purchase / works on investment properties	(644)	(20,396)
Proceeds from disposal of investment properties	-	1,150
Proceeds from disposal of property, plant and equipment	272	57
Proceeds from disposal of short term investments	(60)	4,453
Dividend received from short term investments	195	(99)
Net cash from / (used) in investing activities	(2,339)	(31,505)



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 JUNE 2013 (CONT'D)

	Financial Year Ended 30 June 2013 RM'000	Preceding Year Ended 30 June 2012 RM'000
CASH FLOWS FROM / (USED) IN FINANCING ACTIVITIES		
Dividend paid	-	(2,400)
Drawdown of Borrowings	967	-
Proceeds from issuance of shares to minority interest	-	196
Repurchase of treasury shares	(920)	-
Hire purchase repayment	(812)	(358)
Borrowings	(2,212)	10,152
Net cash from / (used) in financing activities	(2,977)	7,590
Effects of exchange rate changes on cash and cash equivalents	348	370
NET DECREASED IN CASH AND CASH EQUIVALENTS	3,502	(5,713)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	15,865	21,208
CASH AND CASH EQUIVALENTS AT END OF PERIOD	19,715	15,865
Cash and cash equivalents comprise:		
Deposits with licensed banks	155	150
Cash and bank balances	19,560	15,715
	19,715	15,865



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (“MFRS 134”)

1. First-Time Adoption of Malaysian Financial Reporting Standards (MFRS)

The condensed consolidated interim financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 – “Interim Financial Reporting” issued and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). This condensed consolidated interim financial statements also complies with International Accounting Standard 34: Interim Financial Reporting issued by the International Accounting Standard Board (IASB). For the periods up to and including the year ended 30 June 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards (FRS).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial report.

These condensed consolidated interim financial statements are part of the period covered by the Group’s first MFRS annual financial statements for the financial year ended 30 June 2013. MFRS 1: First-Time Adoption of Malaysian Financial reporting Standards (“MFRS 1”) has been applied.

The MFRS are effective for the Group from 1 July 2012 and the date of transition to MFRS framework is 1 July 2011. The transition from FRS to MFRS has no material impact on the financial position, financial performance and cash flows of the Group.

2. Changes in Accounting Policies and Application of MFRS 1

Property, plant and equipment

The Group previously recorded its land and building at its fair value at the date of the revaluation less accumulated amortization and any accumulated impairment losses. Upon transition to MFRS, the Group elected to measure all its property, plant and equipment using the cost model under MFRS 116: Property, Plant and Equipment. At the date of transition to MFRS, the Group elected to regard the revalued amounts of leasehold land and building as deemed cost. As a result, the revaluation surplus was transferred to retained earnings on the date of transition.

Foreign currency translation reserve

The foreign currency translation reserves are previously recognized as a separate component of equity. Upon transition to MFRS, reserves as at transition date were adjusted to retained earnings.

3. Comments about Seasonal or Cyclical Factors

The business operations of the Group are not significantly affected by seasonal or cyclical factors other than the retail / non-project sector which is affected by the festive periods in Malaysia.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

4. Unusual Items due to their nature, size or incidence

There were no items of a material and unusual nature which would substantially affect the assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

5. Changes in Estimates

There were no estimates announced in regard of the current quarter results.

6. Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

7. Dividend Paid

A final single tier tax exempt dividend of 1.5sen per ordinary share in respect of the financial year ended 30 June 2012 was paid on 18 January 2013.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

8. Segmental Information

	Design Manufacture and Retail Of Kitchen And Wardrobe Systems	Marketing and Distribution Of White Goods	Manufacture Of Glass and Aluminium Products	Others	Eliminations	The Group
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Result for 3 months Quarter ended 30 June 2013						
REVENUE:						
External revenue	30,315	672	5,362	-	-	36,349
Inter-segment revenue	7,476	3,183	47	491	(11,197)	-
Total revenue	37,791	3,855	5,409	491	(11,197)	36,349
RESULTS						
Segment results	459	253	312	(217)	-	807
Finance costs	(502)	(13)	(7)	-	-	(522)
Profit / (loss) from ordinary activities before taxation	(43)	240	305	(217)	-	285
Income tax expense						(1,571)
Profit / (loss) from ordinary activities after taxation						(1,286)
Non-controlling interest						(78)
Net profit / (loss) attributable to equity holders of the Company						(1,364)



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

8. Segmental Information (Cont'd)

The Group	Design	Manufacture	Marketing	Manufacture	Others	Eliminations	The Group
	Manufacture and Retail Of Kitchen And Wardrobe Systems	Of	and Distribution Of White Goods	Of Glass and Aluminium Products			
	RM'000				RM'000	RM'000	RM'000
Result for 3 months							
Quarter ended 30 June 2012							
REVENUE:							
External revenue	13,739	427		3,685	-	-	17,851
Inter-segment revenue	7,101	1,650		178	2,274	(11,203)	-
Total revenue	20,840	2,077		3,863	2,274	(11,203)	17,851
RESULTS							
Segment results	(1,462)	655		(683)	1,719	(1,440)	(1,211)
Finance costs	(340)	(3)		(9)	(1)	-	(353)
Profit / (loss) from ordinary activities before taxation	(1,802)	652		(692)	1,718	(1,440)	(1,564)
Income tax expense							(628)
Profit / (loss) from ordinary activities after taxation							(2,192)
Non-controlling interest							217
Net profit / (loss) attributable to equity holders of the Company							(1,975)



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

8. Segmental Information (Cont'd)

The Group	Design	Marketing	Manufacture	Others	Eliminations	The Group
	Manufacture and Retail Of Kitchen Wardrobe Systems	Marketing and Distribution Of White Goods	Manufacture Of Glass and Aluminium Products			
	RM000	RM000	RM000	RM000	RM000	RM000
Result for 12 months Year ended 30 June 2013						
REVENUE:						
External revenue	94,760	2,585	23,161	-	-	120,506
Inter-segment revenue	30,243	7,346	820	1,878	(40,287)	-
Total revenue	125,003	9,931	23,981	1,878	(40,287)	120,506
RESULTS						
Segment results	7,575	1,100	1,777	(515)	-	9,937
Finance costs	(1,542)	(27)	(30)	-	-	(1,599)
Profit from ordinary activities before taxation	6,033	1,073	1,747	(515)	-	8,338
Income tax expense						(3,585)
Profit from ordinary activities after taxation						4,753
Non-controlling interest						(493)
Net profit attributable to equity holders of the Company						4,260



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

8. Segmental Information (Cont'd)

The Group	Design	Marketing	Manufacture	Others	Eliminations	The Group
	Manufacture and Retail Of Kitchen And Wardrobe Systems	and Distribution Of White Goods	Of Glass and Aluminium Products			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Result for 12 months						
Year ended 30 June 2012						
REVENUE:						
External revenue	79,364	3,486	13,915	-	-	96,765
Inter-segment revenue	27,588	5,719	1,186	3,696	(38,189)	-
Total revenue	106,952	9,205	15,101	3,696	(38,189)	96,765
RESULTS						
Segment results	7,898	1,634	1,228	1,341	(1,442)	10,659
Finance costs	(1,416)	(24)	(32)	(1)	-	(1,473)
Profit from ordinary activities before taxation	6,482	1,610	1,196	1,340	(1,442)	9,186
Income tax expense						(3,607)
Profit from ordinary activities after taxation						5,579
Non-controlling interest						(247)
Net profit attributable to equity holders of the Company						5,332



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

8. Segmental Information (Cont'd)

Assets and Liabilities

As at 30 June 2013

OTHER INFORMATION

Segment assets	170,771	10,599	22,333	64,060	(76,697)	191,066
Unallocated assets						1,596
						<u>192,662</u>
Segment liabilities	104,949	2,846	16,268	7,360	(46,943)	84,480
Unallocated liabilities						2,848
						<u>87,328</u>

Assets and Liabilities

As at 30 June 2012

OTHER INFORMATION

Segment assets	152,710	10,114	13,556	65,812	(73,859)	168,333
Unallocated assets	1,624		158	61		1,843
						<u>170,176</u>
Segment liabilities	95,667	3,100	8,949	5,287	(48,599)	64,404
Unallocated liabilities						2,540
						<u>66,944</u>



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

9. Property, Plant and Equipment Valuation

The valuations of the Property, Plant and Equipment have been brought forward without amendments from the previous audited financial statements. Upon transition to MFRS, the Group used the previous revaluation at or before the date of transition as deemed cost for property, plant and equipment.

10. Profit / (Loss) before taxation

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 June 2013 RM'000	Preceding Corresponding Quarter Ended 30 June 2012 RM'000	Current Year Ended 30 June 2013 RM'000	Preceding Corresponding Year Ended 30 June 2012 RM'000
Profit / (Loss) before taxation is arrived at after charging :-				
Interest expense	176	135	1,020	892
Depreciation and amortisation	447	629	2,389	2,410
Provision for and write off of receivables	782	1,336	1,097	4,687
Loss on foreign exchange	-	-	-	600
Loss on disposal of property, plant and equipment	26	-	26	93

Profit / (Loss) before taxation is arrived at after Crediting :-

Interest Income	2	(151)	268	212
Other Income including Investment Income	9	-	195	183
Write-back of provision for doubtful debts	826	238	826	1,914
Gain on foreign exchange	345	(279)	442	-
Gain on disposal of property, plant and equipment	-	-	90	-

11. Material Events Subsequent to the end of the interim period

There was no material events not reflected in the interim financial results.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

12. Changes in the Composition of the Group

During the financial year, the Group :-

- (a) subscribed for 80 ordinary shares of RM1 each at par, representing a 80% equity interest in Signature Interiors Sdn Bhd, for a total cash consideration of RM80.
- (b) disposal of Signature Kitchen (NZ) Limited ("SKNZ") from the Group which has been struck off from New Zealand Companies register on 15 January 2013. The Group held 100% equity interest in SKNZ.

13. Changes in Contingent Assets or Contingent Liabilities

As at 30 June 2013, corporate guarantees extended to licensed banks for credit facilities granted to the subsidiaries as follows:-

	Current Year Ended 30 June 2013 RM'000	Preceding Year Ended 30 June 2012 RM'000
Corporate guarantee given to licensed banks for credit facilities granted to the subsidiaries	<u>13,021</u>	<u>7,781</u>

14. Capital Commitments

Capital commitments for the purchase of property, plant and equipment and investment properties not provided for in the interim financial statements as at the balance sheet date were as follows:

	Current Year Ended 30 June 2013 RM'000	Preceding Year Ended 30 June 2012 RM'000
Approved and contracted for:-		
Investment Properties	<u>386</u>	<u>1,262</u>
Total capital commitments	<u>386</u>	<u>1,262</u>

15. Significant Related Party Transactions

There were no significant related party transactions during the quarter under review.

Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD.**
16. Review of Performance
- Current Quarter 3 months ended 30 June 2013

A summary of the financial results is set out below:-

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 June 2013 RM'000	Preceding Period Corresponding Quarter Ended 30 June 2012 RM'000	Current Year Ended 30 June 2013 RM'000	Preceding Year Ended 30 June 2012 RM'000
Revenue	36,349	17,851	120,506	96,765
(Loss)/Profit before taxation	285	(1,564)	8,338	9,186

In the current quarter, the Group revenue was RM36.3million which was higher as compared to the preceding year corresponding quarter of RM17.8million. The revenue increased by 103.6% or RM18.5million was mainly due to increased revenue in the project segment of the Kitchen and Wardrobe and Glass and Aluminium of RM16.9million and RM1.5million respectively as well increase in White Goods and Appliances segment by RM1.8million.

The profit before tax for the current quarter improved by RM1.8million or 118.2% from loss of RM1.5 million in the preceding corresponding quarter to a profit of RM0.3million in the current quarter. There is a profit before tax in the current quarter due to the higher gross profit recorded from the project segment of the Kitchen and Wardrobe segment.

Kitchen and Wardrobe Systems

The Kitchen and Wardrobe segment recorded an increase in revenue of RM16.9million or 81.3% from RM20.8million in the preceding corresponding quarter to RM37.8million in the current quarter under review. The increase mainly arose from the higher sales contribution from the local project segment of the business during the quarter under review.

The loss before tax for Kitchen and Wardrobe segment was RM0.04million as compared to preceding year corresponding quarter, loss of RM1.8million. As a result from the increase in sales and higher gross profit being recorded, the loss before tax was lower by RM1.7million or 97.6% in the current quarter under review.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

16. Review of Performance (Cont'd)

- Current Quarter 3 months ended 30 June 2013

White Goods and Built-in Kitchen Appliances

The White Goods and Built-in Kitchen Appliances segment reported an increase of RM1.8million or 85.6% in revenue from RM2.0million in the preceding year corresponding quarter to RM3.8million in the current quarter. The increase mainly derived from project sales.

However, the profit before tax for this business segment dropped by RM0.4million or 63.2% compared to preceding year corresponding quarter, as a result from lower gross profit margin for products sold in the quarter.

Glass and Aluminium Product

The Glass and Aluminium Product segment recorded revenue of RM5.4million for the current quarter as compared to the preceding year corresponding quarter of RM3.8million. The RM1.5million or 40.0% increase in revenue was mainly due to higher revenue contribution from the project segment in the current quarter.

In line with the increase in revenue, the profit before tax has recorded an increase from loss of RM0.7million in preceding year corresponding quarter to profit of RM0.3million or 144.0% in current quarter, mainly due to higher profit margin being recorded from the project recognized in the quarter.

Others Segment

The Other Segment inclusive of Investment Holding Company and Dormant Companies. The main source of revenue for the reporting quarter represents Management fee charged by Holding Company and dividend receivable by the Holding Company which was eliminated at the Group level.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

16. Review of Performance (Cont'd)

- Cumulative period to-date 12 months ended 30 June 2013

In the current year to-date, the Group recorded revenue of RM120.5million as compared to the preceding year corresponding period of RM96.7million. The 24.5% or RM23.7million increased in revenue was mainly due to higher sales contribution from Kitchen and Wardrobe and Glass and Aluminum products segment.

The Group profit before tax for current year to-date decreased by RM0.8million or 9.2% compared with preceding year corresponding period, from RM9.2million to RM8.3million. Although sales has increased, profit before tax dropped due to the increased in operation costs for the new operation in China and increased in the staff costs resulting from the additional headcount being recruited to support the Group's expansionary plan. There was also a drop in other income due to lower recoverability of doubtful debts as compared to last year.

Kitchen and Wardrobe Systems

The Kitchen and Wardrobe segment recorded revenue of RM125.0million as compared to the preceding year corresponding period of RM107.0million. The 16.8% or RM18.0million increase in revenue was mainly due to higher sales generated from the local project segment.

However, the profit before tax for Kitchen and Wardrobe recorded a decrease by RM0.4million as compared with preceding year corresponding period, from RM6.5million to RM6.0million. The dropped in profit before tax as compared to huge increase in revenue is due to additional staff costs incurred to support the Group's expansionary plan and higher other income from the recoverability of doubtful debts from last year as compared to this financial year.

White Goods and Built-in Kitchen Appliances

The White Goods and Built-in Kitchen Appliances segment recorded revenue of RM9.9million as compared to the preceding year corresponding period of RM9.2million. The increase of 7.9% or RM0.7million in revenue was mainly due to higher sales contribution from project segment.

The profit before tax for White Goods and Built-in Kitchen Appliances segment for the current period recorded RM1.0million as compared to the preceding year corresponding period of RM1.6million. The decrease in profit before tax arises from the drop in gross profit margin.

Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
16. Review of Performance (Cont'd)

- Cumulative period to-date 12 months ended 30 June 2013

Glass and Aluminium Product

The Glass and Aluminium Product segment recorded revenue for the year to-date was RM23.9million as compared to the preceding year corresponding period of RM15.1million. The 58.9% or RM8.8million increase in revenue is mainly due to higher sales being recorded from its project division.

In line with increase in revenue, the profit before tax for the current period increased to RM1.7million as compared to RM1.2million in preceding year corresponding period. The increase of 46.1% or RM0.5million was due to higher project margin being recorded in preceding year corresponding period.

Others Segment

The Other Segment inclusive of Investment Holding Company and Dormant Companies. The main source of revenue for the reporting period represents Management fee charged by the Holding Company which was eliminated at the Group level.

17. Material change in Profit before tax of Current Quarter compared with Preceding Quarter

	Individual Period	
	Current Quarter Ended 30 June 2013 RM'000	Preceding Quarter Ended 31 Mar 2013 RM'000
Revenue	36,349	31,989
Profit before taxation	285	5,432

The Group recorded revenue for the current quarter was RM36.3million as compared with preceding quarter of RM31.9million. The RM4.4million or 13.6% increase in revenue was mainly contributed by the 2 main business segment, namely Kitchen and Wardrobe and Glass and Aluminium segment.



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

However, the Group recorded a profit before tax of RM0.3million in the current quarter under review as compared to RM5.4million in the preceding quarter. This is mainly due to mixture of project sales taken up in the current quarter has lower gross profit margin. Besides that, there are year end adjustment being put though for impairment on doubtful debts and inventories.

18. Current Year Prospects

The project division from the Kitchen and Wardrobe segment is expected to remain to be the driving force for the Group's financial performance underpinned by its strong order book on hand. In view of the encouraging order book replenishment following to the successful award of a few major projects, the Group is optimistic to record more promising results from this division.

The rapid expansion of project portfolio has led to opportunities from local and international markets. Hence, new business strategies and revenue streams will be identified for a sustainable income for the Group. Other 2 segments - White Goods and Built-in Kitchen Appliances and Glass and Aluminium Products continue to contribute outstanding revenue to the Group and putting it at a better level from last financial year. During current financial year, the Group expands its wing to a new business segment focusing on interior out-fit which expected to diversified its revenue and sustain as the market leader in the industry.

Barring any unforeseen circumstance, the Board is optimistic that the Group will continue to achieve satisfactory performance in the current financial year.

19. Variance between Actual Results and Forecast Results

The Group did not issue any profit forecast or profit guarantee in respect of the current quarter under review.

20. Taxation

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 June 2013 RM'000	Preceding Period Corresponding Quarter Ended 30 June 2012 RM'000	Current Period Ended 30 June 2013 RM'000	Preceding Period Ended 30 June 2012 RM'000
Current Tax Expense				
- Current Year	1,571	628	3,585	3,607
- Deferred Tax	-	-	-	-
Total Income Tax Expense	1,571	628	3,585	3,607



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

21. Status of Corporate Proposals

There were no corporate proposals announced during the current quarter under review.

22. Borrowings and Debt Securities

The Group's borrowings as follows:

	Cumulative Period	
	Current Year Ended 30 June 2013 RM'000	Preceding Year Ended 30 June 2012 RM'000
Term Loan (Secured) :-		
Current	2,387	2,144
Non Current	17,477	18,968
Total Bank Borrowing	19,864	21,112

23. Material Litigation

At the date of this interim financial report, there are no material litigations against the Group.

24. Dividend

The board has not recommended any dividend for the current quarter.

25. Earnings per Share

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the quarter ended 30 June 2013.

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 June 2013 RM'000	Preceding Year Corresponding Quarter Ended 30 June 2012 RM'000	Current Year Ended 30 June 2013 RM'000	Preceding Year Ended 30 June 2012 RM'000
BASIC EARNINGS PER SHARE				
Profit / (loss) for the year attributable to ordinary equity holders of the Company	(1,364)	(1,975)	4,260	5,332
Weighted average number of ordinary shares in issue ('000)	109,790	120,000	116,646	120,000
Basic Earnings per Share (sen)	(1.2)	(1.6)	3.7	4.4



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 30 JUNE 2013

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

26. Realised and Unrealised Profits

The breakdown of the retained profits of the Group as at 30 June 2013 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	As at 30 June 2013 RM'000
Total retained profits/ (accumulated losses) of Signature International Berhad and its subsidiaries:	
- Realised	58,842
- Unrealised	2,476
	<hr/>
	61,318
Consolidation adjustments	10,651
	<hr/> <hr/>
	71,969

27. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 30 June 2012 were not subject to any qualification.

28. Authorisation for issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board on 28 August 2013.