

POLY GLASS FIBRE (M) BHD (Company No. 42138-X)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S
("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD ENDED 28 FEBRUARY
2013**

1. Review of Performance of the Company and its Principal Subsidiaries for the current quarter and financial period to-date

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 28 Feb 13 RM'000	Preceding Year Quarter 29 Feb 12 RM'000	Current Year To Date 28 Feb 13 RM'000	Preceding Year To Date 29 Feb 12 RM'000
<u>Revenue</u>				
Fibre glasswool and related products	10,541	8,080	34,266	32,090
Property development	(340)	(529)	(340)	(529)
Investment Holding	-	-	-	119
	10,201	7,551	33,926	31,680
<u>Profit before tax</u>				
Fibre glasswool and related products	1,617	275	1,196	2,677
Property development	(93)	(211)	25,300	(781)
Investment Holding	(83)	(40)	(185)	4,846
	1,441	24	26,311	6,742

Group

The Group revenue for the current quarter has increased by 35.09% to RM10.20 million as compared to the preceding year quarter ended 29 February 2012. The current quarter registered profit before taxation of RM1.44 million as compared to the preceding year quarter's profit before taxation of RM0.02 million.

For the current financial year to-date 28 February 2013, the Group achieved revenue of RM33.93 million as compared to preceding year to-date of RM31.68 million. The Group has registered profit before tax of RM26.31 million for the current financial year to-date as compared to the preceding year to-date's profit before tax of RM6.74 million.

The higher revenue is attributed by its glasswool insulation division. The higher profit before tax is mainly due to the reversal of impairment loss on development properties previously provided for by its wholly owned subsidiary, Golden Approach Sdn. Bhd., of RM26 million.

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2013 (Cont'd)**

1. Review of Performance of the Company and its Principal Subsidiaries for the current quarter and financial period to-date

Fibre glasswool and related products segment

The revenue for the current quarter has increased by 30.46% to RM10.54 million as compared to the preceding year quarter ended 29 February 2012. The current quarter registered a profit before taxation of RM1.62 million as compared to the preceding year quarter's profit before taxation of RM0.28 million.

For the current financial year to-date 28 February 2013, the revenue achieved of RM34.27 million as compared to preceding year to-date of RM32.09 million. The profit before tax registered of RM1.20 million for the current financial year to-date as compared to the preceding year to-date's profit before tax of RM2.68 million. This was mainly due to plant shutdown for equipment upgrades by its glasswool manufacturing division.

Property development segment

The higher profit before tax is mainly due to the reversal of impairment loss on development properties previously provided for by its wholly owned subsidiary, Golden Approach Sdn. Bhd., of RM26 million.

Investment holding segment

The loss before taxation is mainly the expenses to maintain the investment property.

2. Material Change in the Profit Before Taxation ("PBT") for the quarter reported on as compared to the results of the immediate preceding quarter

The Group recorded a profit before tax of RM1.44 million for the current quarter ended 28 February 2013 as compared to the immediate preceding quarter profit before tax of RM24.52 million. This was mainly due to the reversal of impairment loss on development properties previously provided for by its wholly owned subsidiary, Golden Approach Sdn. Bhd., of RM26 million in preceding quarter.

3. Prospects for the Current Financial Year

Fibre glasswool business is expected to be the major revenue contributor of the Group in the immediate and near future. First quarter sales of fibre glasswool in domestic market is expected to reduce in view of projects slow down due to impending general election. Growth momentum, however, is expected to be maintained in the export markets. The Company will also build on the cost savings achieved through upgrades completed in November 2012.

The property division continues to seek partners to enhance the value of its development properties in Diamond Creeks Country Retreat.

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4. Variance of Actual Profit from Forecast Profit/Profit Guarantee

Not Applicable.

5. Income Tax

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 28 Feb 13 RM'000	Preceding Year Quarter 29 Feb 12 RM'000	Current Year To Date 28 Feb 13 RM'000	Preceding Year To Date 29 Feb 12 RM'000
Malaysian Taxation	31	75	102	157
Deferred Taxation	**(3,035)	129	*3,270	129
	<u>(3,004)</u>	<u>204</u>	<u>3,372</u>	<u>286</u>

* Deferred tax provided on reversal of impairment loss previously provided for and deferred tax asset provided arising from unutilised investment tax allowance.

** Deferred tax asset provided arising from unutilised investment tax allowance.

6. Profits/(Losses) on sale of unquoted investments and/or properties

There were no profits/(losses) on sale of unquoted investments and/or properties for the current quarter and financial period to-date.

7. Quoted Securities

There were no purchases or disposals of quoted securities for the current quarter and financial period to-date.

8. Status of Corporate Proposals

Not Applicable

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9. Group Borrowings

	As at 28 Feb 2013 RM'000	As at 29 Feb 2012 RM'000
Long term borrowings, secured		
<i>Analysis of repayment</i>		
Between 1 – 2 years	1,146	739
Between 2 – 5 years	2,492	3,959
	3,638	4,698
Advance from a shareholder, unsecured	24,827	22,827
Short term borrowings		
<i>Secured</i>		
Bank overdraft	-	-
Other borrowings	1,204	1,141
	1,204	1,141
<i>Unsecured</i>		
Bank overdrafts	653	494
Other borrowings	2,480	1,071
	3,133	1,565
	4,337	2,706

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10. Material Litigation

Golden Approach Sdn Bhd ("GASB")

- i) GASB has been served a court summon in August 2003 by one of its purchasers claiming liquidated damages for late delivery of the property. The solicitors for GASB have filed the Statement of Defence for the suit.
- ii) On 17 September 2002, GASB filed a Writ of Summons and Statement of Claim in the Shah Alam High Court ("SAHC") against Diamond Power Bhd ("DPB") for the recovery of a debt of RM1,687,928.98 owing by DPB to GASB for various works done and cost incurred by GASB on DPB's behalf. Judgment was granted by the SAHC on 2 July 2004 in favour of GASB for the sum of RM1,687,928.98 together with interest of 8% per annum from the date of the writ of summons until full realisation.

On 10 October 2002, GASB filed a Writ of Summons and Statement of Claim in the SAHC against DPB for the recovery of RM5,250,000.00. The said sum has been paid by GASB to DPB as a commitment fee for the issuance of 1,500 memberships to the club to be built by DPB at RM3,500.00 for each membership prior to the procurement of the approval by the authorities for the issuance of such membership. DPB has failed to obtain any approval from the relevant authorities for the issuance of such membership to date. Judgment was granted by the SAHC on 27 June 2003 in favour of GASB for the sum RM5,250,000.00 together with interest of 8% per annum from the date of the writ of summons until full realisation.

Based on information that DPB has been wound-up, GASB has filed two proof of debts on 16 January 2004 for the sums RM1,687,928.98 and RM5,250,000.00 with the Official Receiver.

- iii) On 20 July 2005, GASB has been served a Writ of Summons and a Statement of Claim issued from the Kuala Lumpur High Court ("KLHC") by a contractor of GASB for claims of RM3,212,688.78 (being outstanding sum on Interim Certificates issued by the Engineer and a further amount derived from the Plaintiff's final claim amounting to RM1,316,783.76 and RM1,895,905.02 respectively). GASB disputed the claims.

On 3 April 2006, the Deputy Registrar of the KLHC has allowed GASB's application to strike out the Statement of Claim with cost. On 2 August 2007 the KLHC Judge has decided against the Plaintiff's appeal on the Deputy Registrar's decision.

The Plaintiff has on 28 August 2007 filed a notice of appeal to the Court of Appeal ("COA") against the KLHC's decision. The COA has heard the appeal on 13 August 2009 and dismissed the appeal. The plaintiff has on 25 January 2010 obtained leave from the Federal Court to appeal against the COA decision.

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10. Material Litigation

Golden Approach Sdn Bhd ("GASB")

The Plaintiff has on 10 March 2010 served a copy of Record of Appeal on GASB's Solicitors. The Federal Court has fixed 29 November 2010 for hearing and directed the parties to file written submission by 22 November 2010.

The Federal Court has heard the Submission of both Parties on the 22 November 2010 and on 27 January 2011 allowed the Plaintiff's appeal with cost. The case is now remitted to the High Court. GASB has on 28 April 2011 filed in the Defence and served on the plaintiff's solicitors.

On the objection of the Plaintiff's Solicitors GASB has filed an application to extend time to allow the Defence filed in to be used. The court has directed parties to put in written submission before 29 August 2011 and has fixed 21 September 2011 for decision. On 21 September 2011 the Court has allowed GASB'S application to extend time and the Defence filed is deemed to be a valid Defence. The Plaintiff being unhappy with court decision has filed an appeal to the Judge In Chamber and the Court has fixed 14 November 2011 for hearing. The Deputy Registrar has on 14 November 2011 directed both Parties to file written submission and fixed 14 December 2011 for hearing before Judge In Chambers. On 14 December 2011 the Judge has directed both Parties to file their respective reply on 30 December 2011 which is also fixed for mention to fix a date for decision of the appeal. On 30 December 2011, the court has fixed 19 January 2012 for decision. The Court has on 19 January 2012 dismissed the appeal with cost and fixed 30 March 2012, 2 - 3 April 2012 for full trial. The court has heard the evidence of both the Plaintiff and GASB and directed parties to forward written submission by 4 May 2012 which has been duly complied with. On 8 May 2012 the case was called up for mention and the learned judge has directed parties to file reply by 24 May 2012 and fixed 13 June 2012 to deliver decision. On 13 June 2012 the court has delivered decision and allowed the Plaintiff's claim for the sum of RM3,212,688.78 with interest and cost of RM20,000-00 awarded to the Plaintiff. GASB has instructed the solicitor for GASB to file an appeal against the High Court decision to the Court of Appeal. On 5 July 2012, GASB has received the Court Order demanding payment for RM3,212,688.78 with interest and cost thereon totalling RM6,112,635.07. GASB has received the grounds of Judgment from the High Court and has on the 16-11-2012 filed the Record of Appeal to the Court of Appeal. The Court has fixed 22 May 2013 for hearing of Appeal.

The Plaintiff has at the same time filed an appeal to the Court of Appeal against the High Court decision given on 19 January 2012. On the 24 May 2012 the Court heard the appeal and unanimously dismissed the appeal of the Plaintiff with cost of RM15,000-00 awarded to GASB.

The Plaintiff had obtained a Prohibitory Order on the 26 July 2012 over GASB's land held under PN177980, Lot 11659, Mukim Hulu Bernam Timur, Batang Padang "the said land" and filed a Writ of Seizure and Sale also dated 26 July 2012 against the said GASB's land.

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10. Material Litigation

Golden Approach Sdn Bhd ("GASB")

On the 3 August 2012 GASB has deposited a sum of RM6,112,635-07 into the client's account of GASB's Solicitors as stakeholder as a condition to apply for a Conditional Stay of the High Court Judgement pending appeal to the Court of Appeal. The Conditional Stay application was heard by the High Court on 21 September 2012 and was dismissed by the Court. The Plaintiff had obtained a Prohibitory Order on the 26 July 2012 over GASB's land held under PN177980, Lot 11659, Mukim Hulu Timur, Batang Padang ("the said land") and had obtained an order for sale of the said land on the 30 January 2013. The public auction of the said land was held on the 28 February 2013 but was aborted as there was no bidder. The Plaintiff has applied for direction for the second auction to be held and the court has fixed second auction on 14 May 2013 with the reduced reserved price of RM23,100,000-00. Meanwhile GASB has applied for a conditional Stay of Execution of the Judgment in the Court of Appeal pending disposal of the Appeal and the court has on 17 April 2013 granted GASB's application subject to payment of judgement sum with interest and cost into Kuala Lumpur High Court within seven (7) days from 17 April 2013. GASB has deposited the cashier order of the Judgement Sum with the Solicitor to be deposited into the court by 24 April 2013.

11. Dividend

The Board of Directors does not recommend any dividend for the period ended 28 February 2013.

12. Earnings Per Share

Basic Earnings Per Share - The basic earnings per ordinary share has been calculated by dividing the Group's net profit for the current year to date of RM22,939,409 (2012: net profit RM6,455,500) by the weighted average number of ordinary shares of the Company in issue during the current financial year to date of 159,974,948 shares (2012: 159,974,948).

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13. Disclosure of Realised And Unrealised Losses

	As at 28 Feb 2013 RM'000	As at 29 Feb 2012 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- realised	(162,857)	(188,515)
- unrealised	(13,542)	(10,272)
	<u>(176,399)</u>	<u>(198,787)</u>
Less: Consolidation adjustments	83,478	82,926
Total accumulated losses as per consolidated accounts	<u>(92,921)</u>	<u>(115,861)</u>

The determination of realised and unrealised losses is compiled based on Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

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

By Order of the Board

Ch'ng Lay Hoon
Company Secretary

Dated this 29th day of April 2013