

**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 31 MAY 2014**

**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 31 May 14 <b>RM'000</b>	Preceding Year Quarter 31 May 13 <b>RM'000</b>	Current Year To Date 31 May 14 <b>RM'000</b>	Preceding Year To Date 31 May 13 <b>RM'000</b>
<u>Revenue</u>				
Fibre glasswool and related products	12,148	10,288	12,148	10,288
Property development	-	-	-	-
Investment Holding	-	-	-	-
	12,148	10,288	12,148	10,288
<u>Profit/(Loss) before tax</u>				
Fibre glasswool and related products	2,288	1,735	2,288	1,735
Property development	(123)	(173)	(123)	(173)
Investment Holding	(32)	(120)	(32)	(120)
	2,133	1,441	2,133	1,441

**Group**

The Group revenue for the current quarter increased by 18.08% to RM12.15 million as compared to the preceding year quarter ended 31 May 2013. The current quarter registered profit before tax of RM2.13 million as compared to the preceding year quarter's profit before tax of RM1.44 million. This was mainly due to higher sale revenue achieved by its glasswool insulation division.

**Fibre glasswool and related products segment**

For the current financial year to-date 31 May 2014, the revenue achieved was RM12.15 million as compared to preceding year to-date of RM10.29 million. The profit before tax registered was RM2.29 million for the current financial year to-date as compared to the preceding year to-date's profit before tax of RM1.74 million. This was mainly due to higher sale revenue achieved.

**Property development segment**

The development has been suspended and delayed for a prolonged period of time. The loss before taxation was mainly due to legal fees and land & building contributions.

**Investment holding segment**

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

**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 31 MAY 2014 (Cont'd)**

**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 RM2.13 million for the current quarter ended 31 May 2014 as compared to the immediate preceding quarter profit before tax of RM1.84 million. This was mainly due to higher sales revenue achieved by its glasswool insulation division.

**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. The Company will continue to maximise utilization of its manufacturing capacity and control cost to keep the manufacturing cost low.

Market competition will continue to be challenging due to additional capacity by competitors around this region. Downward pressure on price of fibre glasswool is expected. Demand in the next quarter is expected to be slower than current quarter due to festive season. The Company will maximize its 20,000 metric tonnes per year plant capacity to fulfill orders.

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

Not Applicable.

**5. Income Tax**

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31 May 14	31 May 13	31 May 14	31 May 13
	RM'000	RM'000	RM'000	RM'000
<b>Malaysian Taxation</b>	# 7	# 5	# 7	# 5
<b>Deferred Taxation</b>	-	-	-	-
	7	5	7	5

# The effective tax rate of the Group is lower than the statutory tax rate as the tax charge relates to tax on profits of certain subsidiaries is set-off against the unutilised capital and investment tax allowance.

**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 31 MAY 2014  
(Cont'd)**

**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

**9. Group Borrowings**

	<b>As at 31 May 2014 RM'000</b>	<b>As at 28 Feb 2014 RM'000</b>
Long term borrowings, secured		
<i>Analysis of repayment</i>		
Between 1 – 2 years	2,276	2,420
Between 2 – 5 years	9,880	10,565
	<u>12,156</u>	<u>12,985</u>
Advance from a shareholder, unsecured	<u>13,817</u>	<u>16,327</u>
Short term borrowings		
<i>Secured</i>		
Bank overdraft	-	-
Other borrowings	2,199	2,318
	2,199	2,318
<i>Unsecured</i>		
Bank overdrafts	436	395
Other borrowings	-	1,126
	436	1,521
	<u>2,635</u>	<u>3,839</u>

**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 31 MAY 2014  
(Cont'd)**

**10. Material Litigation**

*Golden Approach Sdn Bhd ("GASB")*

- (i) 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 the application of GASB the KLHC has struck out the claim by Tasja 2006 and the decision was affirmed by the Court of Appeal ("COA") on 13 August 2009. The Federal Court however has on the 22 November 2010 allowed the Plaintiff's appeal with costs and remitted the matter to the KLHC for full trial.

The KLHC has heard the evidence of both Plaintiff and Defendant and on 13 June 2012 the KLHC has 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. An appeal against the KLHC decision has been lodged with the Court of Appeal. On the hearing of the appeal on 22 May 2013 the COA has directed that the case be re-fixed for hearing before another panel of judges as a member of the COA has heard the appeal in the KLHC. When the matter came up for case management on 23 July 2013, the COA proceeded to fix the hearing of the appeal which is fixed for 17 October 2013.

On the 17 October 2013, the COA after hearing submissions from both counsels unanimously allowed GASB's appeal and set aside the KLHC's order given on 12 June 2012 with cost of RM10,000.00 awarded to GASB. The Court has also ordered the sum of RM6,309,564.76 paid into KLHC be released to GASB.

The Plaintiff has filed a Notice of Motion on the 14 November 2013 for leave to appeal to the Federal Court and the court fixed 28 May 2014 for hearing of the Motion. On the date of hearing one of the judges in the panel the Chief Judge of Malaya Tan Sri Zulkefli Bin Ahmad Makinudin has recused himself as he was one of the panel judges in the Federal Court which allowed Tasja's Appeal in the striking out proceeding. The court adjourned the hearing to 8 July 2014.

**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 31 MAY 2014  
(Cont'd)**

**11. Dividend**

The Board of Directors does not recommend any dividend for the period ended 31 May 2014.

**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 RM2,125,495 (2013: net profit RM1,436,456) 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 (2013: 159,974,948).

**13. Disclosure of Realised And Unrealised Losses**

	<b>As at 31 May 2014 RM'000</b>	<b>As at 28 Feb 2014 RM'000</b>
Total accumulated losses of the Company and its subsidiaries:		
- realised	(143,047)	(145,204)
- unrealised	<u>(12,269)</u>	<u>(12,342)</u>
	(155,316)	(157,546)
Less: Consolidation adjustments	<u>68,938</u>	<u>69,042</u>
Total accumulated losses as per consolidated accounts	<u><u>(86,378)</u></u>	<u><u>(88,504)</u></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 25<sup>th</sup> June 2014