

**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 30 NOVEMBER  
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 30 Nov 14 <b>RM'000</b>	Preceding Year Quarter 30 Nov 13 <b>RM'000</b>	Current Year To Date 30 Nov 14 <b>RM'000</b>	Preceding Year To Date 30 Nov 13 <b>RM'000</b>
<u>Revenue</u>				
Fibre glasswool and related products	10,870	10,483	33,782	31,344
Property development	756	-	756	-
Investment Holding	-	-	-	-
	11,626	10,483	34,538	31,344
<u>Profit/(Loss) before tax</u>				
Fibre glasswool and related products	1,595	1,830	4,867	5,399
Property development	(98)	(333)	(350)	(679)
Investment Holding	(38)	(75)	(114)	(288)
	1,459	1,422	4,403	4,432

**Group**

The Group revenue for the current quarter increased by 10.90% to RM11.63 million as compared to the preceding year quarter ended 30 November 2013. The current quarter registered profit before tax of RM1.46 million as compared to the preceding year quarter's profit before tax of RM1.42 million.

For the current financial year to-date 30 November 2014, the Group achieved revenue of RM34.54 million as compared to preceding year to-date of RM31.34 million. The Group has registered profit before tax of RM4.40 million for the current financial year to-date as compared to the preceding year to-date's profit before tax of RM4.43 million.

The higher revenue is achieved by its glasswool insulation business.

**Fibre glasswool and related products segment**

The revenue for the current quarter has increased by 3.69% to RM10.87 million as compared to the preceding year quarter ended 30 November 2013. The current quarter registered a profit before tax of RM1.60 million as compared to the preceding year quarter's profit before tax of RM1.83 million.

For the current financial year to-date 30 November 2014, the revenue achieved of RM33.78 million as compared to preceding year to-date of RM31.34 million. The profit before tax registered of RM4.87

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**Fibre glasswool and related products segment**

million for the current financial year to-date as compared to the preceding year to-date's profit before tax of RM5.40 million.

Higher revenue is due to better sales. The lower profit before tax is mainly due to higher unit cost of production.

**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.

**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 RM1.46 million for the current quarter ended 30 November 2014 as compared to the immediate preceding quarter profit before tax of RM0.81 million. This was mainly due to higher sales revenue 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 for glasswool is expected to surge on the domestic front before implementation of Goods and Service Tax ("GST") on 1<sup>st</sup> April 2015. The Company foresees a slowdown in the second quarter of 2015 calendar year, before picking up again in second half of 2015 calendar year.

Export market demand is expected to be stable. However, the volatile exchange rate could have an impact to the Company bottom line.

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

Not Applicable.

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**5. Income Tax**

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 30 Nov 14 RM'000	Preceding Year Quarter 30 Nov 13 RM'000	Current Year To Date 30 Nov 14 RM'000	Preceding Year To Date 30 Nov 13 RM'000
<b>Malaysian Taxation</b>	# 72	# 16	# 89	# 21
<b>Deferred Taxation</b>	-	-	-	-
	<u>72</u>	<u>16</u>	<u>89</u>	<u>21</u>

# 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.

**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**

	<b>As at 30 Nov 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	2,332	2,420
Between 2 – 5 years	8,700	10,565
	11,032	12,985
Advance from a shareholder, unsecured	13,817	16,327
Short term borrowings		
<i>Secured</i>		
Bank overdraft	-	-
Other borrowings	2,239	2,318
	2,239	2,318
<i>Unsecured</i>		
Bank overdrafts	338	395
Other borrowings	702	1,126
	1,040	1,521
	3,279	3,839

**10. Material Litigation**

On 20 July 2005, Golden Approach Sdn Bhd ("GASB"), a wholly owned subsidiary of the Company, 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.

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**10. Material Litigation (Cont'd)**

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 refixed 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 14 November 2013 for leave to appeal to the Federal Court. Hearing has been postponed several times. Latest date fixed for case management is 14 April 2015.

**11. Dividend**

The Board of Directors does not recommend any dividend for the period ended 30 November 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 RM4,314,563 (2013: net profit RM4,411,141) 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).

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

	<b>As at 30 Nov 2014 RM'000</b>	<b>As at 28 Feb 2014 RM'000</b>
Total accumulated losses of the Company and its subsidiaries:		
- realised	(141,017)	(145,366)
- unrealised	(12,256)	(12,180)
	<u>(153,273)</u>	<u>(157,546)</u>
Less: Consolidation adjustments	69,084	69,042
Total accumulated losses as per consolidated accounts	<u>(84,189)</u>	<u>(88,504)</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 23<sup>rd</sup> day of January 2015