

KUMPULAN JETSON BERHAD (34134-H)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of Preparation

The condensed interim financial statements have been prepared on the historical cost basis, unless otherwise stated.

The condensed interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2014. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of Group since the year ended 31 December 2014.

On 19 November 2011, the MASB issued a new MASB approved accounting standards, the Malaysian Financial Reporting Standards (“MFRSs framework”) for application in the annual periods beginning on or after 1 January 2012.

The MFRSs framework is mandatory for adoption by all Entities Other Than Private Entities for annual period beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141: Agriculture and/or IC Interpretation 15: Agreements for the Construction of Real Estate (“Transitioning Entities”). The Transitioning Entities are given an option to defer adoption of the MFRSs framework to financial periods beginning on or after 1 January 2017. Transitioning Entities also includes those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual periods beginning on or after 1 January 2012.

Accordingly, the Group and the Company which are Transitioning Entities have chosen to defer the adoption of the MFRSs framework to financial year beginning on 1 January 2017. The Group and the Company will prepare their first MFRSs financial statements using MFRSs framework for the financial year ending 31 December 2017.

A2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 31 December 2014 was not qualified.

A3. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial quarter under review.

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A4. Segment Information

Financial period ended 31 March 2015

Business Segments	Construction and Property RM'000	Hostel Management RM'000	Manufacturing RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	17,052	1,834	29,791	-	48,677
Inter-segment revenue	737	-	-	(737)	-
Total revenue	17,789	1,834	29,791	(737)	48,677
Operating (loss)/profit	(1,679)	479	2,477	-	1,277
Finance expenses					(868)
Finance income					38
Share of result of associates	-				(186)
Profit before taxation					261
Taxation					(57)
Profit after taxation					204

A5. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter's results.

A6. Comments about Seasonal or Cyclical Factors

The business of the Group was not affected by any significant seasonal or cyclical factors for the financial period under review.

A7. Dividends Paid

No interim or final dividend was paid in the current period under review.

A8. Carrying Amount of Revalued Assets

The valuations of property, plant and equipment have been brought forward without amendments from the financial statements for the year ended 31 December 2014.

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A9. Debt and Equity Securities

There were no issuance and repayment of debts and equity securities for the financial period to date.

A10. Changes in Composition of the Group

- (a) On 30 January 2015, Jetson Development Sdn. Bhd. (“JDSB”) subscribed 4 ordinary shares of RM1.00 each in Ara 2J Sdn. Bhd. (“Ara 2J”) Consequent to the subscription, Ara 2J became a 40% owned associate of JDSB.
- (b) On 4 March 2015, a wholly-owned sub-subsidiary of the Company, namely Jetson Marketing Sdn. Bhd. (“Jetson Marketing”) acquired 2 ordinary shares of RM1.00 each, representing the entire issued paid-up share capital of Jetson Machinery Sdn. Bhd. (“Jetson Machinery”) for a total cash consideration of RM2. Consequent thereupon, Jetson Machinery became a wholly-owned subsidiary of Jetson Marketing.
- (c) On 11 March 2015, JDSB subscribed 4 ordinary shares of RM1.00 each in Strategic Jewel Sdn. Bhd. (“SJSB”). Consequent to the subscription, SJSB became a 60% owned subsidiary of JDSB.

There were no other changes in the composition of the Group during the financial period review.

A11. Capital Commitments

	31.03.2015 RM'000	31.12.2014 RM'000
Approved and contracted for:-		
Property, plant and equipment	1,071	396

A12. Changes in Contingent Liabilities and Contingent Assets

Contingent liabilities of the Company refer to bank guarantees and corporate guarantees extended in support of banking and credit facilities utilised by its subsidiaries. Contingent liabilities decreased from RM80.75 million as at 31 December 2014 to RM72.28 million as at 31 March 2015.

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A13. Subsequent Event

Subsequent to the end of the financial period reported, a 60% owned sub-subsidiary of the Company, namely Strategic Jewel Sdn Bhd (“SJSB”) had on 2 April 2015 entered into share sale agreement with EBIC Development Sdn. Bhd. to acquire 5,143,005 ordinary shares of RM1.00 each representing the entire issued and paid-up share capital of Homegrown Development Sdn. Bhd. (“HDSB”) for the purchase consideration of RM4,184,318.48. On the same day, SJSB entered into sale and purchase agreement with HDSB and Welly City Sdn. Bhd. to acquire a piece of land held under No. Hakmilik PM 78. Lot 1228, Mukim Ulu Kelang, Daerah Gombak, Kampong Klang Gates Bharu with an available land area measuring approximately 0.9965 hectares for a purchase consideration of RM8.5 million.

Other than above, there were no other material events subsequent to the end of the financial period reported.

KUMPULAN JETSON BERHAD (34134-H) NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Performance Review

The Group recorded revenue of RM48.68 million for the quarter ended 31st March 2015, an improvement of 38.14% or RM13.44 million against the corresponding period ended 31st March 2014 of RM35.24 million. Accordingly, the Group reported a pre-tax profit of RM0.26 million in Q1 2015 as opposed to pre-tax loss of RM1.62 million in Q1 2014. The increase was mainly contributed by manufacturing division.

The performance of the respective division for the current quarter is as follows:-

a) Construction and Property Division

Revenue from the division for the current quarter under review amounted to RM17.05 million, which was RM8.95 million higher than the corresponding quarter in previous year of RM8.10 million. This is mainly contributed by higher revenue from VSummer Place project and the recognition of loss of expense claims for Ijok Alam Perdana project.

The loss before tax was down marginally by approximately RM0.01 million from RM2.18 million in Q1 2014 to RM2.17 million as a result of higher revenue, offset by higher administrative and operating expenses incurred during the quarter under review.

b) Hostel Management Division

There was a slight increase in revenue for the quarter, from RM1.82 million in the previous year corresponding quarter to RM1.83 million for the current quarter.

Despite increment in the revenue, pre-tax profit decreased by RM0.12 million mainly due to higher electricity cost as well as higher maintenance cost incurred for hostel in the quarter under review.

c) Manufacturing Division

Manufacturing division registered revenue of RM29.79 million in the current quarter compared to previous year corresponding quarter of RM25.32 million. The increase in revenue mainly attributable to higher demand for automotive parts as well as adhesive and sealant products.

Accordingly, the division is able to achieve an improved pre-tax profit of RM2.13 million for the quarter under review, compared to the pre-tax profit of RM0.15 million for the corresponding previous quarter. The result was also driven by the improvement in gross profit margin as a result of reduction in the price of certain raw materials coupled with other income generated from disposal of machinery during the quarter. Pre-tax profit is further boosted by the lower sharing of losses from China operation following the disposal of 60% stake in Asian Corporation Limited group of companies in July 2014.

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B2. Comment on Material Change in Results against the Preceding Quarter

Compared to the immediate preceding quarter's results, the Group's revenue increased from RM38.77 million to RM48.68 million. The increase was mainly due to higher contract revenue from construction division as well as improvement in manufacturing division's revenue.

With higher revenue reported in Q1 2015, the Group recorded profit before taxation of RM0.26 million compared to loss before taxation of RM1.87 million in the preceding quarter.

B3. Commentary on Prospect

Path ahead still remains "rocky" due to somewhat weak sentiment in the global economy. However, it is anticipated that local economy would stay resilient with the ongoing infrastructure and mega projects.

The group is continuing to aggressively pursue for more projects for its construction division in order to replenish its order book.

In addition, the group is also relentlessly penetrating into property development either through acquisition of land or joint venture with the land owner.

B4. Profit Forecast or Profit Guarantee

Not applicable.

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B5. Profit/(Loss) before taxation

	Individual quarter		Cumulative quarter	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Profit/(Loss) before taxation is arrived after charging/(crediting):-				
Amortisation of concession assets	467	467	467	467
Amortisation of land use rights	-	33	-	33
Depreciation of property, plant and equipment	981	767	981	767
Interest expense	868	884	868	884
Interest income	(38)	(35)	(38)	(35)
Inventories write off	31	-	31	-
Impairment loss on trade receivable	54	-	54	-
Gain on disposal of property, plant and equipment	(148)	-	(148)	-
Net (gain)/loss on foreign exchange exchange				
- realised	(154)	34	(154)	34
- unrealised	(36)	3	(36)	3

B6. Taxation

	Individual quarter		Cumulative quarter	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Current tax:-				
Current period's provision	46	27	46	27
Under provision in prior year	-	-	-	-
	46	27	46	27
Deferred tax:-				
Current period's provision	10	-	10	-
Underprovision in prior year	-	-	-	-
	10	-	10	-
Tax expenses	57	27	57	27

B7. Status of Corporate Proposal

Save as disclosed in A13, there is no other corporate proposal announced but not completed as of 21 May 2015 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this announcement).

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B8. Borrowings

	31.03.2015	31.12.2014
	RM'000	RM'000
Current :		
Bank overdrafts	7,324	10,657
Revolving credits	3,528	3,778
Trust receipts and bankers' acceptance	14,041	14,311
Term loans	3,377	2,505
Finance lease payables	2,603	2,567
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	30,873	33,818
Non-current :		
Term loans	25,146	26,635
Finance lease payables	5,460	5,948
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	30,606	32,583
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The bank overdrafts, revolving credits, trust receipts and bankers' acceptances of the Group at the end of the quarter under review are secured by:

- a) Negative pledge over all the assets of certain subsidiaries;
- b) corporate guarantee from the Company;
- c) deposits with licensed banks of a subsidiary; and
- d) existing assignment of contract payments.

The term loans of the Group are secured by the following:

- a) first fixed and floating charge over all assets of a subsidiary;
- b) first part legal assignment of the rights, titles, benefits and proceeds of the privatisation agreement of the university hostel project;
- c) assignment of the rights, benefits, proceeds from/ under all insurance policies over the concession asset;
- d) freehold land, long leasehold land and buildings pledged as collateral;
- e) fresh 2 party assignment between a subsidiary and a financial institution for the rental proceeds generated from the above property; and
- f) corporate guarantee from the Company.

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B9. Off Balance Sheet Financial Instruments

There is no financial instrument with off balance sheet risk at the date of this report.

B10. Status of Material Litigation

- (a) Citarasa Haruman Sdn. Bhd. (“CHSB”), subsidiary of the Company, entered into a Joint Development Agreement (“JDA”) with LBCN Development Sdn. Bhd. (“LBCN”) to develop a piece of land in Mukim of Ijok (“the Land”) on 28 May 2007.

Under the JDA, LBCN was to provide and make available the Land for development whereas CHSB was identified as the sole and exclusive developer of the Land and had paid RM12 million towards the land cost which constitutes LBCN’s sole entitlement pursuant to the JDA.

In the course of carrying out development of the Land, CHSB had incurred costs in respect of improvements to the Land and other development costs. Under the JDA, CHSB is entitled to all gross sale proceeds arising from the JDA.

On 19 December 2009, the Land Administrator of the District of Kuala Selangor (“LADKS”) issued a notification to compulsorily acquire the Land with an award of approximately RM50 million to a secured creditor of LBCN and LBCN as the proprietor of the Land (“the Award”).

In November 2011, a Land Reference Proceedings was lodged by CHSB, as the person interested in the Land, to object to the Award. Concurrently, LBCN filed a Judicial Review Proceedings against certain local authorities responsible for the acquisition of the Land.

Status of litigation is as follows:

(i) Judicial Review Proceedings by LBCN

In January 2011, LBCN had filed an application for judicial review at the Shah Alam High Court (“The High Court”) against Lembaga Perumahan Dan Hartanah Selangor, Pentadbir Tanah Kuala Selangor and Kerajaan Negeri Selangor on the basis that the acquisition of the Land was not valid.

On 6 November 2011, the High Court granted stay of acquisition proceedings pending judicial review.

On 14 November 2011, CHSB had filed an objection under Land Reference Proceedings (as described in (ii) below). The objection has however, been stayed on the basis that the Judicial Review Proceedings are dismissed, barring any further suits or applications that may be filed, CHSB would be able to proceed with its Land Reference Proceedings for compensation.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

B10. Status of Material Litigation (Cont'd)

(a) Status of litigation is as follows:

(i) Judicial Review Proceedings by LBCN (Cont'd)

On 16 October 2012, Menteri Besar Incorporation Berhad intervened the judicial review as it had made the payments towards the Land. The High Court has directed this application to proceed concurrently with the judicial review.

On 23 May 2013, the High Court dismissed LBCN's application for judicial review. LBCN then lodged an appeal to the Court of Appeal. LBCN's lawyers sought for an adjournment of the matter as it wanted to file further affidavits in the appeal which the court granted the adjournment and fixed for hearing on 20 April 2015.

In September 2013, LBCN applied for a stay of all Land Reference Proceedings pending its appeal to the Court of Appeal on judicial review. The High Court dismissed this application for a stay on 6 February 2014. By this, the Land Reference Proceedings are to proceed in the normal way as directed by the High Court.

On 20 April 2015, the Court of Appeal dismissed LBCN's appeal on High Court's decision to dismiss LBCN's application for judicial review and further awarded costs in the sum of RM15,000 to be paid by LBCN to CHSB.

(ii) Land Reference Proceedings ("LRP") by CHSB

On 14 November 2011, pursuant to the Land Acquisition Act, 1960, CHSB had lodged a land reference to the High Court objected to the Award by LADKS on the following premise:-

- the amount of compensation;
- the persons to whom it is payable; and
- the apportionment of the compensation.

On 9 July 2014, the judge decided that the land was indeed alienated for the purposes of mixed development. In this respect, the land ought to be valued as commercial land taking into account all the infrastructures that were built on the land.

LADKS had filed a Notice of Appeal dated 21 July 2014 against the court decision on the category or usage of land. On 29 October 2014, CHSB was served with LADKS's notice of application for stay of proceedings. Furthermore, on 14 January 2015, a new valuation report has been filed by LADKS and a new case management was held on 29 January 2015 for CHSB to file rebuttal to the valuation report.

The hearing for LRP which was originally fixed on 29 April 2015 and 30 April 2015 has been rescheduled to 2 June 2015 and 3 June 2015.

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B10. Status of Material Litigation (Cont'd)

(a) Status of litigation is as follows:

(ii) Land Reference Proceedings (“LRP”) by CHSB (Cont'd)

The solicitors are of the view that:

- CHSB has an arguable case of demonstrating that it is entitled to compensation for the acquisition of the Land, on the basis that it is a ‘person interested’ within the meaning of the Act;
- The amount recoverable would be based on the valuers’ reports filed into Court by CHSB and LADKS;
- CHSB has a good arguable case in demonstrating that it is at the very least, entitled to compensation of the land cost of RM12 million as restitution of the contributions it had made on the Land prior to its acquisition.

(b) Jetson Lucksoon Sdn. Bhd. (“JLSB”), a 80% owned subsidiary of the Company, had on 10 December 2014 served a Notice of Amicable Settlement and Arbitration (“Notice”) on Vinci Construction Grands Projets Sdn. Bhd. (“VCGP”) pertaining to, amongst others, the following disputes that have arisen between JLSB and VCGP in connection with or arising from the sub-contract works, namely design, supply, installation and completion of internal glazing and façade works – Package 1 and Package 2 for the project known as “Basement, podium and corporate suites for the proposed development comprising of 3 levels basement car parks, 1 level reception lobby, 7 levels + 1 mezzanine level podium car parks, 1 level amenities and swimming pool and 1 block of 38 levels offices on Lots 43, 44, 133 & 135 Section 58, Kuala Lumpur” (“Sub-Contract Works”):

- (i) VCGP’s failure and refusal to make payment for all amounts properly due and owing to JLSB, including but not limited to certified progress claims, variation orders and materials purchased and VCGP’s continuous conduct of under certifying of JLSB’s claims;
- (ii) VCGP’s unilateral and unlawful conduct in dealing directly with JLSB’s sub-contractors and suppliers without JLSB’s knowledge or consent including but not limited to making direct payments to JLSB’s sub-contractors and suppliers;
- (iii) VCGP’s unlawful interference with JLSB’s scope of works, including but not limited to unlawful procurement of materials purportedly on JLSB’s behalf and taking over of JLSB’s works when there was no basis for such intervention; and
- (iv) VCGP’s wrongful and unlawful deductions, set-offs and back charges without proper and valid justification and without taking into account all of the matters set out in the Notice, especially VCGP’s continued failure to recognise that both packages have been delayed due to VCGP’s failure to meet its financial commitments to JLSB.

Arising from the disputes set out in the Notice, the intended claims against VCGP is in the region of RM19,264,789.02.

B10. Status of Material Litigation (Cont'd)

- (b) JLSB has also filed an Originating Summons against VCGP seeking an injunction from the Court against VCGP from calling on the Bank Guarantee dated 12 March 2012 in the sum of RM4 million. The Bank Guarantee was for purposes of guaranteeing the performance of JLSB in respect of the Package 1 of the Sub-Contract Works.

On 18 December 2014, the High Court granted an Ad-Interim Order to restrain VCGP from making a call on the Bank Guarantee pending the hearing of the matter.

Parties have proceeded to file all their affidavits. The matter was fixed for hearing on 23 February 2015. However, the learned High Court Judge requested JLSB to consider the extension of the Bank Guarantee until after the arbitration between JLSB and VCGP. The High Court adjourned the matter to 27 March 2015 for hearing.

On 27 March 2015, parties entered a Consent Order before the High Court Judge to record the settlement reached amongst each other. The terms of the Consent Order, amongst others:-

- (i) both VCGP and JLSB shall do all that is necessary to procure a Final Award under the Arbitration Proceedings on or before 31 March 2016;
- (ii) both VCGP and JLSB shall endeavour to do all that is necessary to agree on a Settlement on or before 31 March 2016 to resolve all disputes and difference between them;
- (iii) both VCGP and JLSB agree that the arbitral tribunal to issue the Final Award on or before 31 May 2016 in the event that the arbitral tribunal is unable to issue the Final Award by 31 March 2016;
- (iv) JLSB shall extend the Bank Guarantee 14 days before the prevailing expiry date of the Bank Guarantee to 30 April 2016 or in the event that the arbitral tribunal is unable to issue the Final Award, 30 June 2016; and
- (v) VCGP shall not make any demand on the Bank Guarantee save and except for (1) JLSB failed to renew/ extend the Bank Guarantee as per (d) above, (2) to pay VCGP any sums of money due to VCGP under the Final Award, (3) to pay VCGP any sums of money due to VCGP under a Settlement, and (4) in the event the arbitral tribunal is unable to issue the Final Award by 31 May 2016.

KUMPULAN JETSON BERHAD (34134-H)
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B10. Status of Material Litigation (Cont'd)

- (c) JLSB had on 16 December 2014 through its solicitors served a Writ and Statement of Claim filed by the Company against Mr Cha Ti @ Cheah Tai ("1st Defendant"), Mr Woh Teng Sang ("2nd Defendant") and Lucksoon Metal Works Sdn. Bhd. ("3rd Defendant") (collectively known as "Defendants") on the 1st Defendant. Service of the Writ and Statement of Claim had also been carried out on the 2nd Defendant and 3rd Defendant.

According to the Writ and Statement of Claim, JLSB contends and will contend, amongst others, the following:

- (i) The 1st Defendant and/or 2nd Defendant were in breach of trust and confidence/fiduciary duties/duty of care and their employment in JLSB by the reason of, amongst other matters, as follows:
 - (a) The 1st Defendant and/or the 2nd Defendant, in requesting and agreeing to direct payments being made to JLSB's subcontractors and suppliers, including the 3rd Defendant, had acted against JLSB's interest and had compromised JLSB's rights and entitlements under the Sub-Contract Works awarded by VCGP to JLSB.
 - (b) The 1st Defendant and/or 2nd Defendant had acted in conflict of interest with their duties and obligations as officers of JLSB given that the 1st Defendant and/or 2nd Defendant had placed their own interest and the interest of the 3rd Defendant before the interest of JLSB.
- (ii) The 1st Defendant and/or 2nd Defendant, through the 3rd Defendant, were directly negotiating with VCGP to take over the Sub-Contract Works from JLSB, for the benefit of the 3rd Defendant.
- (iii) The 3rd Defendant is the recipient of monies and benefits as a result of the conduct and actions of the 1st Defendant and/or 2nd Defendant as pleaded in the Statement of Claim.

JLSB's claim against the Defendants is, amongst others, the following:

- (i) damages for breach of trust and confidence/fiduciary duties/duty of care and their employment in JLSB as against the 1st Defendant and 2nd Defendant;
- (ii) a declaration that the 3rd Defendant holds all profits and other remuneration achieved as a result of the breach of trust and confidence/fiduciary duties/duty of care and their employment in JLSB on trust for JLSB;
- (iii) an account of all monies received or the value of the materials procured for the benefit and received by the 3rd Defendant under the Sub-Contract Works, including any secret profits; and
- (iv) such further or other relief, including all further necessary or appropriate accounts, inquiries and directions.

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B10. Status of Material Litigation (Cont'd)

- (c) On 19 January 2015, the Defendants have filed a Statement of Defence and Counter Claim against JLSB for the sum of RM478,143.66 and interest of 8% per annum from the date of this counter claim. Subsequently on 4 February 2015, a Notice of Application was filed by JLSB to stay the Counterclaim proceedings pending arbitration.

The matters were fixed for case management on 9 February 2015 and 16 February 2015 to obtain directions from the Court regarding the Notice of Application dated 4 February 2015. The Court subsequently fixed the matter for hearing on 11 March 2015.

On 11 March 2015, the Defendants' solicitors informed the Court that the Defendants are ready to withdraw the Counterclaim and to make an amendment to the Statement of Defence. The Court ordered the Counterclaim to be struck out and the Notice of Application dated 4 February 2015 withdrawn. The Court had also ordered cost of RM2,000 to be paid by the Defendants to JLSB. The Defendants' solicitors had informed the Court that they will be making a formal application to amend the Statement of Defence.

The trial is fixed on 3 August 2015 to 5 August 2015.

- (d) On 8 April 2015, Jetson Construction Sdn. Bhd. ("JCSB") filed an Originating Summons ("OS") and Notice of Application ("NOA") for an order restraining Lucksoon Metal Works Sdn. Bhd. from acting in breach of the non-compete clause under the Shareholders' Agreements pending disposal of the arbitration proceedings vide Notice of Arbitration dated 6 April 2015 from JCSB.

On 20 April 2015, VCGP filed an application to intervene ("Application to Intervene") in these proceedings. Both NOA and Application to Intervene were fixed for hearing on 22 April 2015. Upon hearing the parties' counsels on 22 April 2015, the Court allowed VCGP's Application to Intervene with no order as to cost. The Court also refused to grant the Ad-Interim Injunction pending disposal of the OS at hearing proper. The OS is now fixed for hearing on 27 May 2015.

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B11. Retained Profits

The breakdown of the retained earnings of the Group as at 31 March 2015 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 Main Market Listing Requirements, as issued by the Malaysian Institute of Accountants.

	31.03.2015	31.12.2014
	RM'000	RM'000
Total retained earnings of the Group		
- realised	(8,573)	(8,376)
- unrealised	624	584
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	(7,949)	(7,792)
Less: Consolidation adjustments	4,130	3,729
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	(3,819)	(4,063)
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B12. Dividend Payable

No dividend has been recommended by the Board of Directors during the financial period ended 31 March 2015.

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B13. Earnings /(Loss) Per Share

(a) Basic

Basic earnings /(loss) per share amounts are calculated by dividing earnings /(loss) for the financial period attributable to ordinary equity holders of the company by the number of ordinary shares in issue during the financial period.

	Current quarter/ Cumulative quarter to date	
	31.03.2015 RM'000	31.03.2014 RM'000
Net profit /(loss) attributable to the owners of the Company	239	(1,697)
Adjusted weighted average number of ordinary shares in issue and issuable	187,967	162,770
Basic earnings /(loss) per share (sen)	0.13	(1.04)

* Pursuant to MFRS 133, Earnings Per Share, the profit /(loss) per share for the individual and cumulative quarter ended 31 March 2015 and 31 March 2014 have been adjusted for the share split involving the subdivision of every one existing ordinary share of RM1.00 each in the Company into two ordinary shares of RM0.50 each completed on 5 February 2014.

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B13. Earnings /(Loss) Per Share (Cont'd)

(b) Diluted

For the purpose of calculating diluted earnings/(loss) per share, the profit /(loss) for the financial year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares, i.e. detachable warrants (“Warrants”).

	Current quarter/ Cumulative quarter to date	
	31.03.2015	31.03.2014
	RM'000	RM'000
Net loss attributable to the owners of the Company	#	(1,697)
Weighted average number of ordinary shares in issue	#	162,770
Effect of dilution -Warrants 2014/2019	#	1,976
Adjusted weighted average number of ordinary shares in issue and issuable	#	164,746
Basic loss per share (sen)	#	(1.03)

There is no dilution in the profit per share of the Company as at 31 March 2015 as the market value of the above securities was lower than the exercise prices. Accordingly, full conversion of the securities would result in anti-dilution.