

Interim Report
SMIS Corporation Berhad
 (Company No. 491857-V)
 (Incorporated in Malaysia)
and its subsidiaries

Condensed Consolidated Statement of Financial Position as at 31 December 2013
 (unaudited)

	Note	As at 31 December 2013 RM'000	As at 31 December 2012 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		31,570	29,730
Investment properties		477	500
Other investments		-	2,693
Intangible assets		710	1,322
Deferred tax assets		1,418	961
Total non current assets		34,175	35,206
Current assets			
Inventories		16,753	13,651
Trade and other receivables		39,824	37,067
Current tax assets		546	223
Short term investment		3,798	
Cash and cash equivalents		20,280	23,792
Total current assets		81,201	74,733
TOTAL ASSETS		115,376	109,939
Equity			
Share capital		44,800	44,800
Reserves		32,200	29,154
Less: 2,600,100 treasury shares, at cost		(1,166)	(1,156)
Total equity attributable to the shareholders of the Company		75,834	72,798
Non-controlling interests		5,327	4,373
Total equity		81,161	77,171
Non-current liabilities			
Other financial liabilities		707	707
Loans and borrowings	B8	2,227	2,510
Deferred tax liabilities		283	253
Total non current liabilities		3,217	3,470
Current liabilities			
Loans and borrowings	B8	5,498	5,081
Trade and other payables		24,477	23,047
Provision for warranties		489	815
Current tax liabilities		534	355
Total current liabilities		30,998	29,298
TOTAL EQUITY AND LIABILITIES		115,376	109,939
Net assets per share (RM)		1.69	1.62
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Note:-

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

Interim Report
SMIS Corporation Berhad
 (Company No. 491857-V)
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Condensed Consolidated Statement of Comprehensive Income for the 12 months year ended 31 December 2013
 (unaudited)

	Note	3 months period ended 31 December		12 months period ended 31 December	
		2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Revenue		35,479	27,817	132,951	115,639
Cost of sales		(29,986)	(21,336)	(108,119)	(93,663)
Gross profit		5,493	6,481	24,832	21,976
Operating expenses		(5,822)	(7,075)	(17,771)	(19,274)
Other operating income		630	115	1,258	654
Operating profit / (Loss)		301	(479)	8,319	3,356
Financing costs		(119)	(125)	(565)	(381)
Interest income		109	242	252	390
Profit / (Loss) before taxation		291	(362)	8,006	3,365
Tax expense	B5	(216)	(374)	(3,031)	(2,133)
Profit after taxation		75	(736)	4,975	1,232
Other comprehensive income, net of tax					
Fair value reserve		(143)	(31)	(89)	(164)
Foreign currency translation differences for foreign operations		36	90	242	(109)
Other comprehensive income for the period, net of tax		(107)	59	153	(273)
Total comprehensive income for the period		(32)	(677)	5,128	959
Profit attributable to:					
Owners of the Company		(214)	(1,036)	3,958	854
Non-controlling interests		289	300	1,017	378
Profit for the period		75	(736)	4,975	1,232
Total comprehensive income attributable to :					
Owners of the Company		(478)	(979)	3,949	585
Non-controlling interests		445	302	1,179	374
Total comprehensive income for the period		(33)	(677)	5,128	959
Basic earnings per ordinary share (sen)	B12	(0.51)	(2.45)	9.38	2.02
Diluted earnings per ordinary share (sen)		N/A	N/A	N/A	N/A

Notes :-

N/A = Not applicable

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Condensed Consolidated Statement of Changes in Equity for the 12 months year ended 31 December 2013
(unaudited)

	Attributable to the owners of the Company							Total Equity RM'000
	Non-distributable				Distributable			
	Share capital RM'000	Share premium RM'000	Treasury share RM'000	Foreign currency translation reserve RM'000	Fair value reserve RM'000	Retained profits RM'000	Non-controlling interests RM'000	
At 1 January 2013	44,800	4,891	(1,156)	(180)	88	24,355	4,373	77,171
Fair value of available-for-sale financial assets	-	-	-	-	(88)	-	-	(88)
Foreign currency translation differences for foreign operations	-	-	-	233	-	-	8	241
Total other comprehensive income for the year	-	-	-	233	(88)	-	8	153
Profit for the year	-	-	-	-	-	3,958	1,017	4,975
Dividend paid	-	-	-	-	-	(1,057)	-	(1,057)
Total comprehensive income for the period	-	-	-	233	(88)	2,901	1,025	4,071
Purchase of treasury share at cost	-	-	(10)	-	-	-	-	(10)
Disposal of investment in subsidiary	-	-	-	-	-	-	(71)	(71)
At 31 December 2013	<u>44,800</u>	<u>4,891</u>	<u>(1,166)</u>	<u>53</u>	<u>-</u>	<u>27,256</u>	<u>5,327</u>	<u>81,161</u>
At 1 January 2012	44,800	4,891	(1,151)	(75)	252	23,501	3,999	76,217
Fair value of available-for-sale financial assets	-	-	-	-	(164)	-	-	(164)
Foreign exchange translation differences	-	-	-	(105)	-	-	(4)	(109)
Total other comprehensive income for the year	-	-	-	(105)	(164)	-	(4)	(273)
Profit for the year	-	-	-	-	-	854	378	1,232
Total comprehensive income for the period	-	-	-	(105)	(164)	854	374	959
Purchase of treasury share at cost	-	-	(5)	-	-	-	-	(5)
Loss of dilution of shares arising from	-	-	-	-	-	-	-	-
At 31 December 2012	<u>44,800</u>	<u>4,891</u>	<u>(1,156)</u>	<u>(180)</u>	<u>88</u>	<u>24,355</u>	<u>4,373</u>	<u>77,171</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

Interim Report
SMIS Corporation Berhad
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Condensed Consolidated Cash Flow Statement for the 12 months year ended 31 December 2013
(unaudited)

	For the 12 months period ended 31 December 2013 RM'000	For the 12 months period ended 31 December 2012 RM'000
Cash flows from operating activities		
Profit before taxation from operations	8,006	3,365
Adjustment for non-cash items:		
Amortisation of intangible assets	-	195
Impairment loss on trade receivables	788	149
Bad debts written off	-	972
Allowance for impairment for slow moving stock	309	-
Intangible asset written off	-	700
Depreciation of investment properties	22	22
Depreciation of plant and equipment	4,959	4,129
Gain on disposal of the investment in subsidiary	(71)	-
Gain on disposal of other investments	-	(229)
Gain on disposal of plant and equipment	(69)	(34)
Fixed asset written off	-	2
Impairment of goodwill	612	-
Finance income	-	(390)
Interest paid	509	302
Interest income	(251)	-
Reversal of impairment loss on inventories	-	(14)
Reversal of impairment loss on trade receivables	(23)	(6)
Unrealised foreign exchange (gain) / loss	150	(37)
Operating profit before changes in working capital	14,941	9,126
Changes in working capital:		
Inventories	(3,410)	1,232
Trade and other receivables	(3,671)	(6,384)
Trade and other payables	(813)	4,521
Cash (used in) / generated from operations	7,047	8,495
Income taxed paid	(3,600)	(3,162)
Income taxes refunded	-	270
Interest paid	(509)	(302)
Net cash (used in) / generated from operating activities	2,938	5,301
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,883)	(7,376)
Interest received	251	390
Disposal of other investments	(1,194)	2,377
Proceed from disposal of property, plant and equipment	69	34
Net cash used in investing activities	(5,757)	(4,575)
Cash flows from financing activities		
Purchase of treasury shares	(10)	(5)
Repayment of hire-Purchase	(147)	-
Term loan	-	2,550
Repayment of BA	(2,220)	-
Drawdown of other borrowing	3,473	1,695
Repayment of term loan	(1,757)	(69)
Dividend paid	(1,057)	-
Net cash used in financing activities	(1,718)	4,171
Net (decrease) / increase in cash and cash equivalents	(4,537)	4,897
Exchange rate fluctuation reserve	242	(125)
Cash and cash equivalents at 1 January	20,677	15,905
Cash and cash equivalents at 31 December	16,382	20,677
@ Cash and cash equivalents comprise the following balance sheet amounts:		
Deposits placed with licensed banks	11,038	5,297
Cash and bank balances	5,445	18,495
Bank overdrafts	(3,900)	(3,115)
Short term investment	3,799	-
	16,382	20,677

(i)

For the 12 months period ended 31 December 2013, the Group acquired property, plant and equipment amounting to RM 5,325,137 of which RM 408,923 was accrued for. There was payment for assets capitalised in year ended 31 December 2012 amounting to RM 410,953.

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.