

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME FOR THE 3rd QUARTER ENDED 30 SEPTEMBER 2015**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2015 RM'000	Preceding Year Corresponding Quarter 30.09.2014 RM'000	Current Year To date 30.09.2015 RM'000	Preceding Year Corresponding Period 30.09.2014 RM'000
Revenue	47,979	34,792	122,689	92,907
Cost of Sales	(38,232)	(29,190)	(102,478)	(80,833)
Gross profit	9,747	5,602	20,211	12,074
Other operating income	2,181	6,026	6,595	8,697
General & administrative expenses	(5,164)	(3,931)	(16,202)	(12,047)
Profit from operations	6,764	7,697	10,604	8,724
Finance costs	(475)	(323)	(1,275)	(1,648)
Profit before tax	6,289	7,374	9,329	7,076
Tax expense	(1,673)	(122)	(1,558)	(83)
Net profit for the period	4,616	7,252	7,771	6,993
Other Comprehensive income, net of tax				
Exchange gain on translation of net investment in foreign subsidiary companies	1,132	344	1,377	900
Total Comprehensive income for the period	5,748	7,596	9,148	7,893
Gross profit margin (%)	20.31	16.10	16.47	12.99
Profit after tax margin (%)	9.62	20.84	6.33	7.53
Weighted average number of shares ('000)	175,470	175,470	175,470	175,470
Earnings per ordinary share (sen)				
- Basic	2.63	4.13	4.43	3.99
- Diluted	2.63	4.13	4.43	3.99

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying notes to the Interim Financial Statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF
30 SEPTEMBER 2015**

	As at 30.09.2015 RM'000	As at 31.12.2014 RM'000 (Audited)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	64,045	70,040
Deferred tax assets	536	444
Investment in club memberships, at cost	61	61
Total Non-Current Assets	<u>64,642</u>	<u>70,545</u>
CURRENT ASSETS		
Inventories	23,725	30,028
Trade receivables	33,709	44,027
Other receivables and prepaid expenses	4,145	5,505
Tax recoverable	-	42
Cash and bank balances	16,870	14,840
Total Current Assets	<u>78,449</u>	<u>94,442</u>
TOTAL ASSETS	<u><u>143,091</u></u>	<u><u>164,987</u></u>
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Share capital	87,735	87,735
Reserves	21,391	12,243
Shareholders' Equity	<u>109,126</u>	<u>99,978</u>
NON-CURRENT LIABILITIES		
Term loans	6,897	9,362
Hire-purchase payables	3,626	6,465
Total Non-Current and Deferred Liabilities	<u>10,523</u>	<u>15,827</u>
CURRENT LIABILITIES		
Trade payables	8,830	16,905
Other payables and accrued expenses	1,404	9,412
Term loans	2,920	2,920
Hire-purchase payables	3,701	3,773
Other bank borrowings	5,203	15,331
Tax payable	1,384	841
Total Current Liabilities	<u>23,442</u>	<u>49,182</u>
Total Liabilities	<u>33,965</u>	<u>65,009</u>
TOTAL EQUITY AND LIABILITIES	<u><u>143,091</u></u>	<u><u>164,987</u></u>
Net assets per ordinary share (RM)	0.622	0.570

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying notes to the Interim Financial Statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 3rd QUARTER ENDED 30 SEPTEMBER 2015**

	Share Capital RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000
Balance as of 1 January 2015	87,735	(20,515)	32,758	99,978
Total Comprehensive Income for the period	-	1,377	7,771	9,148
As at 30 September 2015	<u>87,735</u>	<u>(19,138)</u>	<u>40,529</u>	<u>109,126</u>

	Share Capital RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000
Balance as of 1 January 2014	87,735	(22,520)	26,495	91,710
Total Comprehensive Income for the year	-	2,005	6,263	8,268
As at 31 December 2014	<u>87,735</u>	<u>(20,515)</u>	<u>32,758</u>	<u>99,978</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying notes to the Interim Financial Statements.

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE CUMULATIVE QUARTER ENDED 30 SEPTEMBER 2015**

	Current Year To-date 30.09.2015 RM'000	Preceding Year Corresponding Period 31.12.2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	9,329	7,216
Adjustments for:		
Inventories written down	550	4,242
Depreciation of property, plant and equipment	9,365	12,790
Allowance for doubtful debts	1,315	-
Interest expenses	1,220	2,293
Gain on disposal of Subsidiary company	-	(6,933)
Gain on disposal of property, plant and equipment	-	(74)
Property, plant and equipment written off	-	2
Reversal of inventories written down	-	(289)
Interest income	(69)	(134)
Unrealised gain on foreign exchange	(220)	(1,367)
Operating profit before working capital changes	21,490	17,746
Changes in working capital		
Net change in current assets	17,981	(21,826)
Net change in current liabilities	(16,083)	16,590
Cash generated from operations	23,388	12,510
Tax paid	(1,149)	(372)
Tax Refund	-	4
Net cash generated from operating activities	22,239	12,142
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	390
Interest received	69	134
Proceed on disposal of Subsidiary company net of cash	-	5,564
Proceeds from disposal of other investment	-	321
Purchase of property, plant and equipment	(5,670)	(7,413)
Net cash used in investing activities	(5,601)	(1,004)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire-purchase	(5,211)	(2,427)
Repayment of term loans	(2,465)	(4,693)
Proceed from Hire Purchase	2,300	-
(Decrease)/Increase in other bank borrowings	(9,423)	771
Interest paid	(1,220)	(2,293)
Net cash used in financing activities	(16,019)	(8,642)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE CUMULATIVE QUARTER ENDED 30 SEPTEMBER 2015 (CONTINUED)**

	Current Year To-date 30.09.2015 RM'000	Preceding Year Corresponding Period 31.12.2014 RM'000
NET INCREASE IN CASH AND CASH EQUIVALENTS	619	2,496
Effects of foreign exchange rate changes	2,116	1,483
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	14,135	10,156
CASH AND CASH EQUIVALENTS AT END OF PERIOD/YEAR	<u>16,870</u>	<u>14,135</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
CASH AND BANK BALANCES	16,870	14,840
BANK OVERDRAFT	-	(705)
	<u>16,870</u>	<u>14,135</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying notes to the Interim Financial Statements

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (“MFRS”) No. 134

A1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with the requirements of Chapter 9, Continuing Disclosure, Paragraph 9.22 of the Main Market Listing Requirements (“LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and in compliance with Malaysian Financial Reporting Standards (“MFRSs”) 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board (MASB), and should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 December 2014.

The significant accounting policies, methods of computation and basis of consolidation adopted by the Group for the preparation of the interim financial report are consistent with those adopted in the annual audited financial statements for the year ended 31 December 2014.

The Group has not adopted the following MFRSs, Amendments to MFRSs and IC Interpretations, which were issued but not yet effective:-

Effective date : 1 January 2014

IC Interpretation 21	Levies
Amendments to MFRS 10	Consolidated Financial Statements : Investment Entities
Amendments to MFRS 12	Disclosure of Interest in Other Entities : Investment Entities
Amendments to MFRS 127	Consolidated and Separate Financial Statements : Investment Entities
Amendments to MFRS 132	Financial Instruments : Presentation – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Recoverable Amount Disclosure for Non-Financial Assets
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting

Effective date : To be announced

MFRS 9	Financial Instruments
Amendments to MFRS 9	Mandatory Effective Date of MFRS 9 and Transition Disclosures

A2. CHANGES IN ACCOUNTING POLICIES

There are no material changes in Statement in Financial Position, Statement of Comprehensive Income and Statement of Cash Flows presented under MFRS framework and the Statement of Comprehensive Income and Statement of Cash Flows presented under FRS framework.

A3. QUALIFICATION OF ANNUAL FINANCIAL STATEMENTS

There were no audit qualifications on the financial statements of the Company and its subsidiaries for the year ended 31 December 2014.

A4. SEASONAL AND CYCLICAL FACTORS

The Group’s business operations were not materially affected by any major seasonal or cyclical factors.

A5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

Further to the announcement dated 11 February 2015, 3 March 2015, 7 March 2015, 27 May 2015, 29 June 2015, 7 July 2015, 16 July 2015, and 27 August 2015 the Board has made an announcement on the action taken by the Board arising from the Investigation Report.

Save as disclosed above, there were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current year quarter ended 30 September 2015.

A6. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have a material effect in the current quarter under review and financial year-to-date result.

A7. ISSUANCES AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter under review.

A8. DIVIDEND PAID

No dividend was paid during the current quarter ended 30 September 2015.

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of property, plant and equipment in the current quarter under review and financial year-to-date.

A10. CHANGES IN COMPOSITION OF THE GROUP

As per announcement dated 31 December 2014 on the voluntary winding-up of its wholly-owned subsidiary, I.P.G. Metal Industry (M) Sdn. Bhd. ("IPG") pursuant to Section 254(1)(b) of the Companies Act, 1965.

A11. SEGMENTAL INFORMATION

The segmental information of the group are presented by geographical and by products segments.

A) The geographical segments are based on the location of the assets and these are:

- (i) Malaysia
- (ii) Singapore
- (iii) Hong Kong and China

	Malaysia RM'000	Singapore RM'000	Hong Kong and China RM'000	Eliminations RM'000	Total RM'000
Year to Date – 30 September 2015					
Segment revenue					
Sales to external customers	31,345	85,552	5,792	-	122,689
Inter-segment sales	75,711	10,751	19,741	(106,203)	-
Total	107,056	96,303	25,533	(106,203)	122,689
Segment revenue – current quarter	40,453	35,425	7,910	(35,809)	47,979
As at 30 September 2015					
Total assets	211,001	45,150	41,036	(154,096)	143,091
Total liabilities	91,498	31,938	3,581	(93,052)	33,965
Year to Date – 30 September 2014					
Segment revenue					
Sales to external customers	25,624	61,483	5,800	-	92,907
Inter-segment sales	52,434	3,994	14,818	(71,246)	-
Total	78,058	65,477	20,618	(71,246)	92,907
Segment revenue – current quarter	30,769	27,711	7,953	(31,641)	34,792
As at 30 September 2014					
Total assets	190,800	30,342	44,643	(123,803)	141,982
Total liabilities	74,806	25,693	8,010	(66,130)	42,379

A11. SEGMENTAL INFORMATION (CONTINUED)

B) The products segments based on HDD and Non-HDD products are as follows :

	Current Year Quarter 30.09.2015		Preceding Year Corresponding Quarter 30.09.2014	
	RM'000	Percentage	RM'000	Percentage
HDD	38,429	80%	21,745	63%
*Non-HDD	9,550	20%	13,047	37%
Total revenue	<u>47,979</u>	<u>100%</u>	<u>34,792</u>	<u>100%</u>

* included in the Non-HDD products are Sensor and Control, Medical Devices and Others.

C) Based on Geographical segment of Group, segment revenue based on the geographical location of customers.

	Current Year Quarter 30.09.2015	Current Year To Date 30.09.2015
Revenue		
Malaysia	7,405	23,468
Outside Malaysia	40,574	99,221
Total	<u>47,979</u>	<u>122,689</u>

A12. CONTINGENT LIABILITIES

As at 30 September 2015, the Group has no material contingent liabilities save for corporate guarantee of RM106 million issued by the Company in respect of banking facilities granted to the subsidiary companies.

A13. CAPITAL COMMITMENT

The group has no capital commitment as at 30 September 2015.

A14. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current quarter under review.

B. Explanatory Notes Pursuant to Appendix 9B, Part A of the Bursa Securities Main Market Listing Requirements

B1. PERFORMANCE REVIEW

Current Year Quarter – 30 September 2015

	Malaysia RM'000	Singapore RM'000	Hong Kong and China RM'000	Eliminations RM'000	Total RM'000
Revenue	40,453	35,425	7,910	(35,809)	47,979
EBDITA *	6,954	1,620	1,948	(378)	10,144
Depreciation	(2,091)	(24)	(1,265)	-	(3,380)
Profit from operation	4,863	1,596	683	(378)	6,764
Finance costs	(431)	(5)	(39)	-	(475)
PBT **	4,432	1,591	644	(378)	6,289

Preceding Year Quarter – 30 September 2014

	Malaysia RM'000	Singapore RM'000	Hong Kong and China RM'000	Eliminations RM'000	Total RM'000
Revenue	30,769	27,711	7,953	(31,641)	34,792
EBDITA *	5,327	(483)	844	4,519	10,207
Depreciation	(1,768)	(20)	(722)	-	(2,510)
(Loss)/Profit from operation	3,559	(503)	122	4,519	7,697
Finance costs	(260)	(4)	(59)	-	(323)
P/(L)BT ***	3,299	(507)	63	4,519	7,374

* EBDITA - Earning Before Depreciation, Interest expenses, Tax and Amortisation

** PBT – Profit Before Tax

*** P/(L)BT – (Loss)/Profit Before Tax

The Group recorded profit before taxation (“PBT”) of RM6.29 million in the quarter under review (“Q3 2015”) as compared to PBT of RM7.38 million (inclusive of one-off gain on disposal of subsidiary company amount to RM6.24 million) in the preceding year corresponding quarter (“Q3 2014”).

The reason contributing to the improvement in operating PBT for Q3 2015 vs Q3 2014 is mainly due to increase in revenue by RM13.19 million or 37.90% and depreciation of Ringgit Malaysia (“RM”) versus US Dollar (“USD”) during the quarter under review.

B2. COMPARISON WITH PRECEDING QUARTER’S RESULTS

The Group recorded revenue of RM47.98 million in the current quarter (“Q3 2015”) as compared to RM39.75 million in the previous quarter (“Q2 2015”), an increase of RM8.23 million or 20.70%. The Group recorded a profit before taxation (“PBT”) of RM6.29 million for the quarter under review, as compared to previous quarter PBT of RM2.83 million.

The main reason contributing to the improvement in the result is due to depreciation of Ringgit Malaysia (“RM”) versus US Dollar (“USD”) during the quarter under review.

B3. COMMENTARY ON PROSPECTS

In general, the global HDD industry is expected to contract in the coming quarters due to the weak global economy. However, our new product mix development with the HDD customers is expected to sustain our HDD businesses which will to a certain extent mitigate the expected contraction.

B4. VARIANCES FROM PROFIT FORECAST AND PROFIT GUARANTEE

No profit forecast and profit guarantee was issued or announced for the period ended 30 September 2015.

B5. TAXATION

	Current Year Quarter 30.09.2015 RM’000	Current Year To date 30.09.2015 RM’000
Corporate tax income/(expense)		
Malaysia	(1,126)	(1,272)
Foreign	(378)	(378)
	<u>(1,504)</u>	<u>(1,650)</u>
Deferred tax income/(expense)		
Malaysia	(169)	92
	<u>(1,673)</u>	<u>(1,558)</u>

B6. CORPORATE PROPOSAL

There were no any corporate proposals in the current quarter under review.

B7. BORROWINGS

The Group's borrowings as at the end of the reporting quarter are as follows:

	Short-term (Secured) RM'000	Long-term (Secured) RM'000
Hire purchase	3,701	3,626
Term Loans	2,920	6,897
Bankers' facilities	5,203	-
Bank overdraft	-	-
Total	<u>11,824</u>	<u>10,523</u>

The Group borrowings are dominated in the following currencies:

	RM'000
Ringgit Malaysia	21,497
US Dollar	-
China Renminbi	850
Total borrowings	<u>22,347</u>

B8. MATERIAL LITIGATION

As at the date of this announcement, there is no material litigation against the Group or vice-versa.

B9. DIVIDEND

No dividend has been declared for the current quarter ended 30 September 2015.

B10. EARNINGS PER SHARE

Basic

The basic earning per share is calculated by dividing the net profit by the weighted average number of ordinary shares in issue:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2015	Preceding Corresponding Quarter 30.09.2014	Current Year To Date 30.09.2015	Preceding Corresponding Quarter 30.09.2014
Net profit attributable to ordinary shareholders (RM '000)	4,616	7,252	7,771	6,993
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	175,470	175,470	175,470	175,470
Basic earning per share (sen)	2.63	4.13	4.43	3.99

Diluted

The Group does not have any convertible shares or financial instruments for the current financial quarter and financial year to-date.

B11. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Current Year Quarter 30.09.2015 RM'000	Preceding Year Corresponding Quarter 30.09.2014 RM'000	Current Year To date 30.09.2015 RM'000	Preceding Year Corresponding Period 30.09.2014 RM'000
After charging:-				
Interest expense	475	323	1,220	1,648
Depreciation	3,380	2,510	9,365	8,572
Loss on disposal of property, plant and equipment	-	-	-	227
Loss on foreign exchange				
-Realised	-	67	-	301
-Unrealised	-	282	-	282
Inventories written down	-	-	550	-
Allowance for doubtful debts	-	-	1,315	-
After Crediting:				
Gain on disposal of subsidiary company	-	6,237	-	6,237
Gain on foreign exchange				
- Realised	2,082	-	5,963	1,379
- unrealised	0	-	220	502
Interest income	19	26	69	74

Save as disclosed above, the other items as required under appendix 9B, Part A(16) of the Bursa Securities Main Market Listing Requirements are not applicable.

B12. REALISED OR UNREALISED EARNINGS OR LOSSES DISCLOSURE

The retained earnings as at 30 September 2015 and 31 December 2014 respectively are analysed as follows:

	30.09.2015	31.12.2014
	RM'000	RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	43,631	35,905
- Unrealised	3,804	3,881
	<hr/>	<hr/>
	47,435	39,786
Less: Consolidation adjustments	(6,906)	(7,028)
	<hr/>	<hr/>
	40,529	32,758
	<hr/>	<hr/>