

# **TECHFAST HOLDINGS BERHAD**

(Company No.: 647820-D)  
Incorporated in Malaysia

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FIRST QUARTER ENDED 31 MARCH 2015

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**TECHFAST HOLDINGS BERHAD**

(Company No.: 647820-D)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2015**

	(Unaudited)		(Unaudited)	
	3 months ended (Quarter)		3 months ended (Cumulative)	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	RM'000	RM'000	RM'000	RM'000
Revenue	4,406	4,922	4,406	4,922
Operating expenses	(3,981)	(4,376)	(3,981)	(4,376)
Other operating income	557	194	557	194
	<u>982</u>	<u>740</u>	<u>982</u>	<u>740</u>
Finance costs	(5)	(7)	(5)	(7)
<b>Profit/(Loss) before taxation</b>	<b>977</b>	<b>733</b>	<b>977</b>	<b>733</b>
Income tax expense	(338)	(214)	(338)	(214)
<b>Net profit after taxation</b>	<b><u>639</u></b>	<b><u>519</u></b>	<b><u>639</u></b>	<b><u>519</u></b>
Other comprehensive income:	-	-	-	-
<b>Total comprehensive income</b>	<b><u>639</u></b>	<b><u>519</u></b>	<b><u>639</u></b>	<b><u>519</u></b>
<b>Profit attributable to:</b>				
Owners of the Company	568	97	568	97
Non-controlling interests	71	422	71	422
	<b><u>639</u></b>	<b><u>519</u></b>	<b><u>639</u></b>	<b><u>519</u></b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	568	97	568	97
Non-controlling interests	71	422	71	422
	<b><u>639</u></b>	<b><u>519</u></b>	<b><u>639</u></b>	<b><u>519</u></b>
<b>Earnings per share attributable to owners of the parent:</b>				
Basic (sen)	0.37	0.06	0.37	0.06
Diluted (sen)	NA	NA	NA	NA

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

**TECHFAST HOLDINGS BERHAD**

(Company No.: 647820-D)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2015**

	(Unaudited) As at 31.03.2015 RM'000	(Audited) As at 31.12.2014 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	7,977	8,231
Goodwill on acquisition	1,110	1,110
	<u>9,087</u>	<u>9,341</u>
<b>Current assets</b>		
Inventories	2,467	2,672
Trade and other receivables	5,539	6,241
Tax recoverable	88	60
Fixed deposits with licensed banks	66	66
Short term investment	3,573	1,892
Cash and bank balances	3,903	4,739
	<u>15,636</u>	<u>15,670</u>
<b>TOTAL ASSETS</b>	<b><u>24,723</u></b>	<b><u>25,011</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	15,591	15,591
Treasury shares	(416)	(416)
Share premium	9,978	9,978
Accumulated losses	(9,026)	(9,594)
	<u>16,127</u>	<u>15,559</u>
<b>Non-controlling interests</b>	<b>815</b>	<b>804</b>
<b>Total equity</b>	<b><u>16,942</u></b>	<b><u>16,363</u></b>
<b>Non-current liabilities</b>		
Hire purchase creditors	264	329
Deferred taxation	744	744
	<u>1,008</u>	<u>1,073</u>
<b>Current liabilities</b>		
Trade and other payables	6,389	7,395
Hire purchase creditors	201	180
Tax payable	112	-
Borrowings	71	-
	<u>6,773</u>	<u>7,575</u>
<b>Total liabilities</b>	<b><u>7,781</u></b>	<b><u>8,648</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>24,723</u></b>	<b><u>25,011</u></b>
Net assets per share attributable to equity holders of the parent (sen)	<u>10.4</u>	<u>10.1</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

# TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2015

	← Attributable to Equity Holders of the Parent →						Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Non- Distributable	Distributable	Non- Controlling Interests RM'000	
				Retained Earnings/ (Accumu- lated Losses) RM'000	Total RM'000		
<b>Balance at 1 January 2014</b>	15,591	(72)	9,978	(522)	24,975	3,355	28,330
Net profit/(loss) for the period	-	-	-	97	97	421	518
Purchase of own shares	-	(344)	-	-	(344)	-	(344)
<b>Balance as at 31 March 2014</b>	15,591	(416)	9,978	(425)	24,728	3,776	28,504
<b>Balance at 1 January 2015</b>	15,591	(416)	9,978	(9,594)	15,559	804	16,363
Net profit/(loss) for the period	-	-	-	568	568	71	639
Dividends paid	-	-	-	-	-	(60)	(60)
<b>Balance as at 31 March 2015</b>	15,591	(416)	9,978	(9,026)	16,127	815	16,942

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

**TECHFAST HOLDINGS BERHAD**

(Company No.: 647820-D)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2015**

	(Unaudited)	
	3 Months Ended	
	31.03.2015	31.03.2014
	RM'000	RM'000
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	977	733
<u>Adjustments for:</u>		
Non-cash items	17	217
Non-operating items	(36)	(71)
Operating profit before working capital changes	958	879
<u>Changes in working capital:</u>		
Net change in current assets	1,211	390
Net change in current liabilities	(1,006)	(1,674)
Cash generated from/(used in) operations	1,163	(405)
Interest paid	(5)	(7)
Tax (paid)/refunded	(253)	(171)
<b>Net cash generated from/(used in) operating activities</b>	<b>905</b>	<b>(583)</b>
<b>Cash Flows From Investing Activities</b>		
Interest received	34	71
Purchase of property, plant and equipment	(61)	(18)
<b>Net cash generated from/(used in) investing activities</b>	<b>(27)</b>	<b>53</b>
<b>Cash Flow From Financing Activities</b>		
Purchase of own shares	-	(343)
Net repayment of hire purchase creditors	(44)	(48)
Dividends paid	(60)	-
<b>Net cash used in financing activities</b>	<b>(104)</b>	<b>(391)</b>
<b>NET INCREASE/(DECREASE) CASH AND CASH EQUIVALENTS</b>	<b>774</b>	<b>(921)</b>
<b>CASH AND CASH EQUIVALENTS AS AT BEGINNING OF YEAR</b>	<b>6,631</b>	<b>12,989</b>
<b>CASH AND CASH EQUIVALENTS AS AT END OF YEAR</b>	<b>7,405</b>	<b>12,068</b>
<u>Cash and cash equivalents comprise:</u>		
Fixed deposits with licensed banks	66	2,000
Short term investment	3,573	7,827
Cash and bank balances	3,903	2,294
	7,542	12,121
Less : Fixed deposits pledged to licensed banks	(66)	(53)
Bank overdraft	(71)	-
	<b>7,405</b>	<b>12,068</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

# TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

## NOTES TO THE QUARTERLY REPORT – 31 MARCH 2015

### A. EXPLANATORY NOTES AS PER FRS 134 – INTERIM FINANCIAL REPORTING

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#### A1. Basis of Preparation

The interim financial report is unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 : “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market (“ACE LR”).

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

The significant accounting policies and methods of computation adopted by the Group in preparing this condensed report are consistent with those of the audited financial statements for the financial year ended 31 December 2014.

#### A2. Auditor’s Report on Preceding Annual Financial Statements

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

#### A3. Comments about Seasonal or Cyclical Factors

The business of the Group is generally not affected by seasonal and cyclical factors.

#### A4. 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 quarter under review.

#### A5. Significant Estimates and Changes in Estimates

There were no significant estimates nor changes in the estimates of amounts reported that have a material effect on the results in the current quarter under review.

#### A6. Changes in Debt and Equity Securities

##### Share buybacks / Treasury shares of the Company

There were no share buy-back transactions during the quarter ended 31 March 2015. As at the end of the quarter under review, a total of 2,994,400 shares of RM0.10 each, which were repurchased previously, were held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

# TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

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## NOTES TO THE QUARTERLY REPORT – 31 MARCH 2015

### A. EXPLANATORY NOTES AS PER FRS 134 – INTERIM FINANCIAL REPORTING

#### A7. Dividend Paid

No dividend was paid during the current quarter under review.

#### A8. Segmental Information

	Self-clinching fasteners	Mould cleaning rubber sheets and LED epoxy encapsulant materials	Investment Holding	Elimination	Consolidation
3 Months Ended	RM'000	RM'000	RM'000	RM'000	RM'000
<b>31.03.2015</b>					
Revenue from external customers	1,547	2,834	25	-	4,406
Inter-segment revenue	-	609	900	(1,509)	-
Total segment revenue	1,547	3,443	925	(1,509)	4,406
Operating segment profit/(loss)	(30)	1,056	559	(603)	982
Finance cost	(2)	(3)	-	-	(5)
Profit/(loss) before taxation	(32)	1,053	559	(603)	977
Income tax	(33)	(305)	-	-	(338)
Net profit/(loss) after taxation	(65)	748	559	(603)	639

#### A9. Valuation of Property, Plant and Equipment

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

#### A10. Subsequent Events

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements, which are likely to substantially affect the results of the current quarter under review.

#### A11. Changes in Composition of the Group

There were no changes in the composition of the Group that occurred in quarter under review.

## **TECHFAST HOLDINGS BERHAD**

(Company No.: 647820-D)

Incorporated in Malaysia

### **NOTES TO THE QUARTERLY REPORT – 31 MARCH 2015**

#### **A. EXPLANATORY NOTES AS PER FRS 134 – INTERIM FINANCIAL REPORTING**

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##### **A12. Contingent Liabilities**

The Company is contingently liable for corporate guarantees provided to financial institutions for banking facilities amounting to RM2.40 million granted to the subsidiary companies. As at the end of the current quarter under review, the subsidiary companies did not utilise any of the said banking facilities.

##### **A13. Capital Commitments**

There were no capital commitments for the purchase of property, plant and equipment not provided for in the interim condensed financial statements as at the end of the quarter under review.

##### **A14. Significant Related Party Transactions**

There were no related party transactions which would have a material impact on the financial position and the business of the Group during the current quarter.



# TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

## NOTES TO THE QUARTERLY REPORT – 31 MARCH 2015

### B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

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#### B1. Review of Performance

##### 1st Quarter 2015 vs 1st Quarter 2014

The Group revenue for the current quarter decreased to RM4.41 million from RM4.92 million in the corresponding quarter in the previous year. Unaudited profit before taxation for the quarter ended 31 March 2015 was however, higher at RM0.98 million compared to RM0.73 million during the corresponding quarter in the previous year.

For the current quarter, the self-clinching fastener (“SCF”) segment made a marginal loss before tax of RM0.03 million compared to a loss before tax of RM0.29 million in the corresponding quarter in the previous year. The lower loss incurred for the quarter ended 31 December 2014 was mainly due to concerted cost cutting initiatives.

The mould cleaning rubber sheets (“rubber sheets”) and LED epoxy encapsulant (“epoxy”) materials segment recorded a profit before taxation of RM1.05 million which was higher than RM0.87 million recorded in the corresponding quarter in the previous year. The better performance this quarter was due to the continued improvement in the semi conductor business which has reflected positively for subsidiary companies, Cape Technology Sdn Bhd and Oriem Technology Sdn Bhd.

#### B2. Comment on Material Change in Profit Before Taxation of Current Quarter Compared with the Immediate Preceding Quarter

In the current quarter under review, the Group made a profit before taxation of RM0.98 million compared to RM0.02 million in the preceding quarter ended 31 December 2014. The Group performance was better in the current quarter under review as there no annual provisions in the current quarter coupled with the cost cutting measures in the SCF segment.

#### B3. Current Year’s Prospects

Based on the current economic conditions and barring unforeseen circumstances, the Group is expected to turn in positive results for the year 2015 as the rubber sheets and epoxy businesses are expected to perform well amidst the continued upward trend of the semi-conductor industry. The SCF segment is not expected to make a gain for the year due to poor demand based on current orders on hand.

#### B4. Profit Forecast or Profit Guarantee

This is not applicable as no profit forecast was published.

#### B5. Income Tax Expense

	3 months ended (Quarter)		3 months ended (Cumulative)	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
<b>Current tax:</b>				
Malaysian income tax	338	214	338	214
Total income tax expense	<u>338</u>	<u>214</u>	<u>338</u>	<u>214</u>

## TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

### NOTES TO THE QUARTERLY REPORT – 31 MARCH 2015

#### B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

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##### B6. Corporate Proposals

On 24 April 2015, the Company had announced that it proposed to undertake a private placement of 15,291,740 ordinary shares of RM0.10 each or up to 10% of the issued and paid-up share capital of the Company, excluding treasury shares, to third party investor(s) to be identified at an issue to be determined later. The application in relation to the listing and quotation for up to 15,291,740 new shares in the Company pursuant to the proposed private placement had been submitted to Bursa Securities on 12 May 2015. Bursa Securities had vide its letter dated 19 May 2015, granted its approval for the listing of and quotation for up to 15,291,740 new shares in the Company subject to the certain conditions as per announcement made.

There were no other corporate proposals announced but not yet completed as at the date of this report.

##### B7. Group Borrowings

	<b>As at 31.03.2015 RM '000</b>	<b>As at 31.12.2014 RM '000</b>
<b>Hire purchase creditors</b>		
Repayable within one year denominated in Ringgit Malaysia	201	180
Repayable after one year denominated in Ringgit Malaysia	264	329
	<u>465</u>	<u>509</u>
<b>Current liabilities (secured)</b>		
Bank overdraft denominated in Ringgit Malaysia	71	-
	<u>71</u>	<u>-</u>

##### B8. Changes in Material Litigation

The Company is not engaged in any other material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

##### B9. Proposed Dividend

There was no dividend proposed during the current financial quarter under review.

# TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

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## NOTES TO THE QUARTERLY REPORT – 31 MARCH 2015

### B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

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#### B10. Earnings Per Share (“EPS”)

(a) Basic earnings / (loss) per share

	3 months ended (Quarter)		3 Months Ended (Cumulative)	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Net profit attributable to owners of the Company (RM '000)	568	97	568	97
Weighted average number of ordinary shares in issue ( '000)	154,491	154,491	154,491	154,491
Basic earnings per share (sen)	0.37	0.06	0.37	0.06

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(b) Diluted earnings per share

The fully diluted earnings per share for the Group is not presented as there were no potential dilutive ordinary shares outstanding at the balance sheet date.

#### B11. Notes to the Statement of Comprehensive Income

Profit/(Loss) before taxation is arrived at after crediting/(charging) the following income/(expense) items:

	3 months ended (Quarter)		3 Months Ended (Cumulative)	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Interest income	34	71	34	71
Interest expense	(5)	(7)	(5)	(7)
Depreciation and amortisation	(314)	(309)	(314)	(309)
Foreign exchange gain/(loss)	471	(12)	471	(12)

# TECHFAST HOLDINGS BERHAD

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## NOTES TO THE QUARTERLY REPORT – 31 MARCH 2015

### B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

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#### B12. Realised and Unrealised Profit / Losses

The breakdown of accumulated losses of the Group as at the reporting date, into realised and unrealised profits is as follows:

	<b>(Unaudited)</b> <b>As at</b> <b>31.03.2015</b> <b>RM '000</b>	<b>(Audited)</b> <b>As at</b> <b>31.12.2014</b> <b>RM '000</b>
<b>Total accumulated losses of the Company and its subsidiaries</b>		
Realised	5,313	9,374
Unrealised	50	(574)
	<u>5,363</u>	<u>8,800</u>
Less: Consolidation adjustments	(14,389)	(9,322)
	<u>(9,026)</u>	<u>(522)</u>
Total accumulated losses as per consolidated accounts	<u>(9,026)</u>	<u>(522)</u>

Dated: 22 May 2015