

PLASTRADE TECHNOLOGY BERHAD

Company No. 591077-X
(Incorporated in Malaysia)

UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2012

Notes to the Interim Financial Statements

1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and had been prepared in accordance with the MFRS 134 – Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and the requirements of the Appendix 9B of the Listing Requirements for the ACE Market.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011. These 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 the financial position and performance of the Group since the financial year ended 31 December 2011.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2011. The Group’s financial statements for the annual period beginning on 1 January 2012 is prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”) issued by the MASB that will also comply with International Financial Reporting Standards (“IFRS”).

This set of condensed interim financial statements is the Group’s first MFRS compliant condensed financial statements and hence MFRS1: First-Time Adoption of Malaysian Financial Reporting Standards (MFRS 1) has been applied.

The possible change of the accounting policies is expected to have no material impact on the financial statements of the Group upon their initial application.

3. Audit Report of Preceding Annual Financial Statements

The auditors’ report of the preceding annual financial statements was not subject to any qualification.

4. Seasonal or Cyclical Factors

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review.

5. Unusual Items

There were no other items which were unusual because of their nature, size, or incidence that has affected the assets, liabilities, equity, net income or cashflow of the Group for the financial quarter under review.

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There were no changes in estimates of amounts reported in prior interim periods that have a material effect on the current financial quarter.

7. Issuances and Repayment of Debt and Securities

There were no issuance and repayment of debt and equity securities for the current financial quarter under review.

8. Dividend Paid

The Board of Directors do not recommend any dividend payment in respect of the financial period ended 31 March 2012.

9. Segmental Information

Segmental reporting of the Group's result for the financial year-to-date is as follows:

	Investment Holding	Resin compound for wire and cable insulation & jacketing	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
- External	-	10,249	5,567	15,816
Segment Result	(64)	557	195	688
Finance Cost	-	(141)	(76)	(217)
Share of profit of associate				47
Profit before Tax				518
Taxation				(133)
Net Profit after Tax				385
Segment assets	6,575	26,928	19,125	52,628
Segment liabilities	120	17,351	6,788	24,259

Geographical reporting of the Group's revenue and assets for the financial year-to-date is as follows:

	SEGMENT REVENUE	SEGMENT ASSETS
	RM'000	RM'000
Malaysia	11,717	52,628
Other ASEAN countries	432	-
Other Asian countries	1,300	-
Europe	1,642	-
Others	725	-
Total	15,816	52,628

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There were no other events materially affecting the results of the Group for the current financial quarter and financial year-to-date, which might have occurred between 31 March 2012 and the date of this announcement.

11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial quarter and financial year-to-date.

12. Changes in Contingent Liabilities and Contingent Assets

There were no changes in the material contingent liabilities or assets of the Group as at the date of this announcement.

13. Capital Commitments

There were no material capital commitments as at the date of this announcement.

14. Significant Related Party Transactions

The related party transactions are taken under normal course of business and on terms that are not more favourable than those available to other third parties.

<i>Companies in which certain directors have Interest:-</i>	Current Quarter RM'000	Financial Year-to-date RM'000
Sales of goods	1,708	1,708
Purchase of goods	1,506	1,506
Rental	24	24
<i>Associate Company:-</i>		
Sales of goods	236	236

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Additional information required by the Listing Requirements for the ACE Market of the Bursa Malaysia Securities Berhad

1. Review of Performance for the Individual Quarter and Year-to-date

PTB Group recorded a revenue of RM15.816 million for the current quarter ended 31 March 2012 (1Q2012), representing an increase of approximately 0.03% as compared to the preceding year corresponding quarter ended 31 March 2011 (1Q2011) of RM15.812 million. The Group recorded a profit after taxation of RM0.385 million for 1Q2012 as compared to a loss after taxation of RM0.145 million for 1Q2011. The increase in profit was mainly due to a better margin and lower operating expenses incurred by the Group for the financial period under review.

Segment:	Revenue			
	Individual Quarter		Financial Year-to-Date	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	RM'000	RM'000	RM'000	RM'000
Resin compound for wire and cable insulation & jacketing	10,249	10,333	10,249	10,333
Resin compound for other industries	5,567	5,479	5,567	5,479
Total	15,816	15,812	15,816	15,812

Segment:	Profit after Taxation			
	Individual Quarter		Financial-Year-to-Date	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	RM'000	RM'000	RM'000	RM'000
Resin compound for wire and cable insulation & jacketing	300	39	300	39
Resin compound for other industries	43	(223)	43	(223)
Investment Holding	(5)	31	(5)	31
Associate company	47	8	47	8
Total	385	(145)	385	(145)

Resin compound for wire and cable insulation & jacketing:

Revenue decreased by 0.8% to RM10.249 million in 1Q2012 compared to 1Q2011. However, segment recorded a profit after taxation of RM0.300 million for 1Q2012 compared with a profit after taxation of RM0.039 million for 1Q2011. The increase in profit was mainly due to lower materials cost and lower operating expenses incurred for the period under review.

Resin compound for other industries:

Revenue increased by 2% to RM5.567 million in 1Q2012 compared to 1Q2011. Profit after taxation increased by more than 100% in 1Q2012 as compared to 1Q2011. The increase in profit was mainly due to a better margin and lower operating expenses incurred for the period under review.

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2. Comparison with previous quarter's results

For 1Q2012, the Group recorded a revenue of RM15.816 million, representing an increase of approximately 4% as compared to the previous quarter ended 31 December 2011 (4Q2011) of RM15.268 million. The Group recorded a profit after taxation of RM0.385 million in 1Q2012 compared to 4Q2011 of profit after taxation of RM0.619 million. The decrease in profit after taxation was mainly due to a lower profit contribution by the associate company and higher taxation for the financial quarter under review.

3. Prospect

The Board of Directors of PTB is of the view that the Group's financial performance for the financial year ending 2012 will still be challenging in the light of the current level of operations and prevailing market conditions. The Group will still maintain its best effort to ensure the business of the Group remains competitive by adopting costs saving measures and market the products to other territories.

4. Variance of Profit Forecast

Not applicable as no profit forecast has been issued.

5. Taxation

The taxation charge for the quarter under review includes the following:

	Current Quarter 31/03/2012 RM'000	Financial Year-to-date 31/03/2012 RM'000
Estimated current tax payable	(60)	(60)
(Under)/Overprovision in prior year	-	-
Deferred tax	(73)	(73)
	<u>(133)</u>	<u>(133)</u>

The Group's effective tax rate is lower than statutory tax rate of 25% mainly due to the utilisation of brought forward unutilised capital allowance by the subsidiaries not recognised as tax credit in previous financial years.

8. Status of Corporate Proposals

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

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The Group's borrowings as at 31 March 2012 are shown below: -

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term Borrowings			
Term Loan	89	-	89
Trade Line	15,748	-	15,748
	15,837	-	15,837
Long Term Borrowings			
Term Loan	119	-	119
	119	-	119
Total	15,956	-	15,956

10. Realised and Unrealised Profits or Losses of the Group

	As At 31/03/2012 RM'000	As At 31/12/2011 RM'000
Total retained profits:		
- realised	12,468	11,915
- unrealised	(1,379)	(1,306)
	11,089	10,609
Total share of retained profits of associate:		
- realised	2,287	2,240
- unrealised	(195)	(53)
Less: Consolidation adjustments	(5,739)	(5,739)
Total Retained Profits	7,442	7,057

12. Material Litigation

The Group is not engaged in any 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 24 May 2012 being a date not earlier than 7 days from the date of this quarterly report.

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UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2012**13. Earnings/(Loss) Per Share****▪ Basic earnings/(loss) per share**

The basic earnings/(loss) per share of the Group is calculated by dividing the profit after taxation of RM0.385 million by the weighted average number of ordinary shares in issue for the current financial year-to-date ended 31 March 2012.

	Current Year To Date 31/03/2012 RM'000	Preceding Year Corresponding Period 31/03/2011 RM'000
Net Profit/(Loss) attributable to equity holders of the Company	385	(145)
Weighted average number of ordinary shares ('000)	150,400	150,400
Basic earnings/(loss) per share (sen)	0.26	(0.10)

Diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share as there were no potential ordinary shares outstanding in both the previous and current period under review.

By Order of the Board

Pua Kong Hoi

Managing Director