

**ARIANTEC GLOBAL BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/06/2013 RM'000	PRECEDING YEAR QUARTER 30/06/2012 RM'000	CURRENT YEAR TO DATE 30/06/2013 RM'000	PRECEDING YEAR TO DATE 30/06/2012 RM'000
REVENUE	400	402	518	1,700
COST OF SALES	(667)	(300)	(949)	(1,623)
GROSS PROFIT/(LOSS)	(267)	102	(431)	77
OTHER INCOME	-	21	23	69
ADMINISTRATION EXPENSES	(357)	(595)	(909)	(1,857)
OTHER OPERATING EXPENSES	(474)	(251)	(765)	(368)
PROFIT/(LOSS) FROM OPERATIONS	(1,098)	(723)	(2,082)	(2,079)
FINANCE COST	(52)	(26)	(103)	(100)
PROFIT/(LOSS) BEFORE TAX	(1,150)	(749)	(2,185)	(2,179)
INCOME TAX EXPENSES	-	-	-	-
NET PROFIT / (LOSS) FOR THE PERIOD	(1,150)	(749)	(2,185)	(2,179)
TOTAL COMPREHENSIVE PROFIT/ (LOSS) FOR THE PERIOD	(1,150)	(749)	(2,185)	(2,179)
NET PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO:				
OWNERS OF THE PARENT	(1,150)	(749)	(2,185)	(2,179)
NON-CONTROLLING INTEREST	-	-	-	-
	(1,150)	(749)	(2,185)	(2,179)
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO:				
OWNERS OF THE PARENT	(1,150)	(749)	(2,185)	(2,179)
NON-CONTROLLING INTEREST	-	-	-	-
	(1,150)	(749)	(2,185)	(2,179)
EARNING PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT :				
Basic (sen)	(0.20)	(0.13)	(0.38)	(0.38)

**ARIANTEC GLOBAL BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2013**

	<b>AS AT 30 June 2013 Unaudited RM'000</b>	<b>AS AT 31 December 2012 Audited RM'000</b>
<b><u>ASSETS</u></b>		
<b><u>NON-CURRENT ASSETS</u></b>		
PROPERTY, PLANT AND EQUIPMENT	5,779	5,972
DEFERRED TAX ASSET	2,420	2,420
GOODWILL ON CONSOLIDATION	20,130	20,130
	<u>28,329</u>	<u>28,522</u>
<b><u>CURRENT ASSETS</u></b>		
Inventories	3,030	3,951
Trade Receivables	902	1,324
Other Receivables & Deposits	764	1,187
Fixed Deposits Placed with Licenced Banks	45	1,224
Cash and Bank Balances	64	133
	<u>4,805</u>	<u>7,819</u>
<b>TOTAL ASSETS</b>	<u><u>33,134</u></u>	<u><u>36,341</u></u>
<b><u>EQUITIES AND LIABILITIES</u></b>		
<b><u>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</u></b>		
SHARE CAPITAL	56,875	56,875
SHARE PREMIUM	2,686	2,686
OTHER RESERVES	(391)	(391)
RETAINED EARNINGS	(31,003)	(28,818)
	<u>28,167</u>	<u>30,352</u>
NON-CONTROLLING INTEREST	28	28
<b>TOTAL EQUITY</b>	<u><u>28,195</u></u>	<u><u>30,380</u></u>
<b><u>NON-CURRENT LIABILITIES</u></b>		
Long Term Borrowings	3,654	3,777
Deferred tax	17	17
	<u>3,671</u>	<u>3,794</u>
<b><u>CURRENT LIABILITIES</u></b>		
Trade Payables	430	1,471
Other Payables and Accruals	515	206
Amount Due To Director	32	22
Short Term Borrowings	244	421
Tax liabilities	47	47
	<u>1,268</u>	<u>2,167</u>
<b>TOTAL LIABILITIES</b>	4,939	5,961
<b>TOTAL EQUITIES AND LIABILITIES</b>	<u><u>33,134</u></u>	<u><u>36,341</u></u>
No of ordinary shares ('000)	568,753	568,753
Net Assets per share attributable to owners of the parent (RM)	0.05	0.05

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

**ARIANTEC GLOBAL BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**

	ATTRIBUTABLE TO OWNER OF THE PARENT				TOTAL RM'000	NON-CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
	SHARE CAPITAL RM'000	NON DISTRIBUTABLE	NON DISTRIBUTABLE	DISTRIBUTABLE			
		RESERVE - SHARE PREMIUM RM'000	RESERVE - OTHERS RESERVES RM'000	RESERVE - UNAPPROPRIATED PROFIT RM'000			
<b>6 months period ended 30 June 2013</b>							
Balance as at 1 January 2013	56,875	2,686	(391)	(28,818)	30,352	28	30,380
Net profit for the financial year representing total recognised income and expenses for the year	-	-	-	(2,185)	(2,185)	-	(2,185)
Balance as at 30 June 2013	56,875	2,686	(391)	(31,003)	28,167	28	28,195
<b>6 months period ended 30 June 2012</b>							
Balance as at 1 January 2012	56,875	2,686	(391)	(13,322)	45,848	30	45,878
Net profit for the financial year representing total recognised income and expenses for the year	-	-	-	(2,179)	(2,179)	-	(2,179)
Balance as at 30 June 2012	56,875	2,686	(391)	(15,501)	43,669	30	43,699

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

**ARIANTEC GLOBAL BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**

	<b>CURRENT YEAR TO DATE 30/06/2013 RM'000</b>	<b>PRECEDING YEAR TO DATE 30/06/2012 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	(2,185)	(2,179)
Adjustment for:		
Depreciation of fixed assets	79	138
Loss of disposal of fixed assets	10	-
Finance costs	103	100
Interest income	(40)	(34)
<b>Operating profit before working capital changes</b>	<u>(2,033)</u>	<u>(1,975)</u>
(Increase)/Decrease in current assets	1,766	1,453
Increase/(Decrease) in current liabilities	(722)	132
<b>Cash Used in Operations</b>	<u>(989)</u>	<u>(390)</u>
Tax Paid	-	(256)
Interest paid	(103)	(100)
Interest received	40	34
<b>Net Cash Used in Operating Activities</b>	<u>(1,052)</u>	<u>(712)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Disposal of property, plant and equipment	104	-
Purchase of property, plant and equipment	-	(13)
<b>Net Cash Used in Investing Activities</b>	<u>104</u>	<u>(13)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Decrease in bank borrowings	(300)	(784)
Decrease in fixed deposits pledge	1,179	1,485
<b>Net Cash Used in Financing Activities</b>	<u>879</u>	<u>701</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		
Effect of changes in exchange rates	(69)	(24)
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<u>133</u>	<u>1,549</u>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<u>64</u>	<u>1,525</u>
Cash and cash equivalents at end of period consist of :-		
Cash and bank balances	64	1,525
Bank overdraft	-	-
	<u>64</u>	<u>1,525</u>

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

**ARIANTEC GLOBAL BERHAD ("Ariantec Global " or the "Company")**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2013**

**A. EXPLANATORY NOTES**

**A 1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

The quarterly financial report ended 30 June 2013 is unaudited and has been prepared in accordance with Financial Reporting Standards ("FRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market.

The report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2012. The explanatory notes attached to the quarterly financial report provide an explanation on 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 2012.

The accounting policies and methods of computation adopted by the Group in the quarterly financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2012, except for in the current period ended 30 June 2013, the Group adopted the Malaysian Financial Reporting Standards Framework ("MFRS Framework") relevant to the Group as explained below:

Effective for financial periods beginning on or after 1st January 2013

MFRS 3	Business Combinations
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefit (revised)
MFRS 127	Consolidated and Separate Financial Statements (revised)
MFRS 128	Investments in Associates and Joint Ventures (revised)
Amendments to MFRS 1	First-time Adoption of MFRS - Government Loans
Amendments to MFRS 7	Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance
Annual Improvements to IC Interpretations and MFRSs 2009 - 2011 Cycle	

On 19 November 2011, Malaysian Accounting Standard Board ("MASB") issued a new MASB approved accounting framework, the MFRS Framework.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer ("Transitioning Entities").

The Group and the Company will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2013. In presenting its first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of the MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening undistributed income. The adoption of the MFRSs does not have any significant impact on the interim financial statements of the Group and the Company.

## **A 2 SEASONAL OR CYCLICAL FACTORS**

The business of the Company/Group is not subject to any seasonal or cyclical factors.

## **A 3 NATURE AND AMOUNT OF EXCEPTIONAL AND/OR EXTRAORDINARY ITEMS**

There were no exceptional and/or extraordinary items as at the date of this announcement.

## **A 4 CHANGES IN ESTIMATES**

There were no material changes in estimates in respect of amount reported in prior financial years, which have a material effect in the quarter under review.

## **A 5 ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES, SHARE BUYBACKS, SHARE CANCELLATIONS AND TREASURY SHARES**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares or resale of treasury shares for the current financial period ended 30 June 2013.

## **A 6 DIVIDENDS PAID**

No dividends were paid during the quarter under review.

## **A 7 SEGMENTAL INFORMATION**

A segmental report is not prepared as the company is only involved in network infrastructure business.

## **A 8 VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

There were no changes in the valuation of property, plant and equipment reported in the previous audited financial statements that will have an impact on the quarter under review.

## **A 9 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD**

There were no material events subsequent to the current financial period ended 30 June 2013 which is likely to substantially affect the results of the operations of the Group.

## **A 10 CHANGES IN THE COMPOSITION OF THE GROUP**

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

The Company had on 20 March 2013 disposed of its 100% equity interest in Ariantec Global (HK) Limited ("AGHK") to Rising Vast Global Investment Limited for a cash consideration of Hong Kong Dollar ("HKD") 1.00 only.

AGHK has been dormant since 2010. AGHK has authorised share capital of HKD8,500,000.00 comprising 8,500,000 ordinary shares of HKD1 each, of which 8,420,000 ordinary shares are issued and paid-up.

The Disposal will not have any material effects on the earnings per share, net assets per shares, gearing and share capital of AGB.

## **A 11 CONTINGENT LIABILITIES**

There were no contingent liabilities as at the date of this report.

## **A 12 CAPITAL COMMITMENTS**

There were no material capital commitments incurred or known to be incurred by the Group, which may have a substantial impact on the financial position of the Group:

## B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

### B 1 REVIEW OF PERFORMANCE OF COMPANY/GROUP

The Group recorded in revenue and loss after taxation of RM0.4 million and RM1.1 million respectively for the quarter under review.

For the financial year to-date, the Group recorded revenue and loss after taxation of RM0.5 million and RM2.18 million compared to RM1.7 million revenue and loss after taxation RM2.18 million for the preceding year period ended of 30 June 2012. This represents a decreased of approximately RM1.2 million in revenue and loss after taxation unchanged ("LAT") respectively. The decreased in revenue was mainly due to the delay in securing new projects.

Due to slow down of market condition in 2013, the group has cut down some sales force as well as in house technical personnel in order to maintain the ratio of revenue per manpower.

### B 2 COMPARISON WITH THE PRECEDING QUARTER'S RESULT

The Group's revenue increased by approximately 239% from RM0.118 million in the previous quarter to RM0.4 million in the current quarter under review. The Group recorded a loss after taxation for the current quarter of RM1.15 million compared to loss after tax of about RM1.035 million in the previous quarter. The increased in revenue mainly due to disposal of the existing stocks and revenue is low mainly due to the delay in securing new projects.

	Current Quarter Ended 30.06.2013 (Unaudited) RM'000	Preceding Quarter Ended 31.03.2013 (Unaudited) RM'000	Difference	
			RM'000	%
Revenue	400	118	282	239
Profit/(loss) before tax	(1,150)	(1,035)	(115)	11
PAT	(1,150)	(1,035)	(115)	11

### B 3 CURRENT YEAR PROSPECTS

The directors and management of the Group is committed to achieve a solid revenue base for the Group.

The Directors anticipate that the Group will deliver a reasonable performance despite the challenging economic condition for the financial year ending 31 December 2013.

### B4 PROFIT/(LOSS) BEFORE TAXATION

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30/06/2013 RM'000	Preceding Year Corresponding Quarter Ended 30/06/2012 RM'000	Current Quarter Ended 30/06/2013 RM'000	Preceding Year Corresponding Quarter Ended 30/06/2012 RM'000
Profit/(Loss) before tax is stated after charging/(crediting) :-				
Amortisation of dev cost		-		-
Depreciation of P.P.E.	39	69	79	138
Loss on disposal of P.P.E	0	0	11	0
Loss/(Gain) on forex	0	(6)	6	(27)
Interest expense	52	26	103	100
Interest income	0	(12)	(40)	(34)

**B 5 PROFIT FORECAST / PROFIT GUARANTEE**

The Group did not issue any profit forecast/profit guarantee for the financial year to-date.

**B 6 TAXATION**

	<b>Current qtr RM'000</b>	<b>Year to date RM'000</b>
Tax expense	0	0
	<u>0</u>	<u>0</u>

**B 7 Disclosure of Realised and Unrealised Profits/Losses (Unaudited)**

	<b>As at 30.06.2012 RM'000</b>	<b>As at 31.12.2012 RM'000</b>
Total retained losses of the Company and its subsidiaries :-		
- Realised	(31,020)	(28,835)
- Unrealised	17	17
Total group retained losses as per consolidated accounts	<u>(31,003)</u>	<u>(28,818)</u>

**B 8 STATUS OF THE CORPORATE PROPOSAL**

Save as disclosed below, there are no corporate proposals announced but pending completion as at the date of this report:

On 25 April 2013 and 21 May 2013, the company had via M&A Securities Sdn Bhd announce that the Company proposes to implement a private placement of up to 56,875,300 new ordinary shares of RM0.10 each in AGB to independent third party investors to be identified at a later date.

The issue price of the Placement Shares will be determined and fixed by the Board at a later date when all relevant approvals have been obtained for the Proposed Private Placement. As such, the issue price of the Placement Shares has not yet been fixed.

**B 9 GROUP BORROWINGS AND DEBT SECURITIES**

	<b>As at 30.06.2013 RM'000</b>	<b>As at 31.12.2012 RM'000</b>
<b>Short term borrowing</b>		
Secured	<u>244</u>	<u>421</u>
<b>Long term borrowing</b>		
Secured	<u>3,654</u>	<u>3,777</u>



## B 10 MATERIAL LITIGATION

Save as disclosed below, there were no other material litigation as at the date of this report:

(i) The Company had on 26 February 2005 applied for amongst others, an injunction against Teh Chee Siong, Law Yee Wei, Cheong Kat Yoong and B.I.S. Technologies Sdn Bhd (collectively the "Defendants") personally or through its directors, shareholders, employees, agents from copying, showing, distributing and marketing the entire Global e-Ticketing System (GET Programme) or a substantial part of the GET Programme as "i-Ticketing System Solution" and the resulting damages to be assessed for the infringement of copyright.

On 22 April 2005, the Defendants filed a statement of defence and counter claim for, among others, special damages of RM903,690.00. Global Soft had subsequently on 17 May 2005 replied to the statement of defence and counter claim. The solicitors of Global Soft are of the opinion that the statement of defence and counter claim filed by the Defendants are frivolous and baseless in nature.

On 26 October 2005, Global Soft has filed with the Kuala Lumpur High Court an application to strike out the counter claim of the Defendants on the grounds that it was a frivolous and baseless.

The matter was mentioned on 5 June 2006 and fixed for hearing on 19 October 2006. The matter was then fixed for mention on 6 December 2006 but subsequently adjourned to 26 March 2007.

On 11 September 2007, the Application was set aside by the Court. The Court is of the view that the counter claim ought to be heard at the main trial and therefore allowed the application. There is no activity since 2007, our solicitors is in the midst to get a confirmation from court whether the case has been strike off.

(ii) Global Soft had on 29 March 2006 applied for an injunction against Phitomas Sdn Bhd ("Phitomas"), a competitor of the Company, with the Shah Alam High Court on grounds of defamation through the insertion of defamatory statements about Global Soft on Phitomas' website.

Global Soft will be seeking punitive damages amounting to RM2,000,000.00 in total, against Phitomas for libel against the Company (RM1,000,000) and for malicious falsehood (RM1,000,000). The solicitors acting for Global Soft are of the opinion that there is an element of defamation involved and thus, Global Soft has a good chance of obtaining the injunction.

The matter was adjourned on the 26 June 2006 as the judge was away. Global Soft is seeking a new date from the court. As the judge presiding over the case has been transferred, no date has been yet being fixed by the court.

There is no activity since 2006, our solicitors is in the midst to get a confirmation from court whether the case has been strike off.

(iii) On 8 February 2006, Global Soft, via its counsel, Messrs Nekoo Parames & Tung filed a Writ of Summon (Shah Alam Session Court No. 52-437-06) with the Shah Alam Session Court against North West Enterprise Sdn Bhd ("NWE") claiming for an outstanding amount of RM27,380.00. The claim of RM27,380.00 representing the outstanding payment due from NWE for services rendered under a Sale and License Agreement entered into between Global Soft and NWE 17 October 2002 ("the Contract"). The matter was set for first mention on 27 June 2006 and was subsequently adjourned to 24 July 2006.

No announcement was made with regard to the aforesaid claim as the Board of Directors of Global Soft is of the opinion that it will not have any material financial or operational impact on Global Soft and its group of companies ("Global Soft Group").

However, on 24 July 2006, Company received notice that it has been served with a Statement of Defence together with a Statement of Counter-Claim for RM1,565,439.94 by NWE. The bulk of the counter-claim relates to staff costs incurred to remedy the alleged defects of Global Soft's software (which was sold to NWE under the Contract), and for loss of profit, loss of business opportunity and replacement cost which arose due to the said alleged defects ("Counter-Claim").

On 8 August 2008, the lawyers for the Defendants served on us a sealed copy of the court order to transfer the matter to High Court. No date has been yet being fixed by the court as at the date of this report.

Based on the opinion our solicitors, the Counter-Claim by NWE on grounds of loss of profit and loss of opportunity are unlikely to be successful under the prevailing laws. The solicitors are also of the opinion that Global Soft is likely to be exonerated from the Counter-Claim as pursuant to Clause 4.2 stipulated in the Contract, it clearly provides that Global Soft shall not assume any direct or indirect financial losses or claims from any third party resulting from the use of the Company's software.

There is no activity since 2006, our solicitors is in the midst to get a confirmation from court whether the case has been strike off.

**B11 DIVIDEND PAYABLE**

No dividend was declared or paid in this quarter.

**B 12 EARNINGS PER SHARE**

Earnings per share was calculated based on net profit for the period and the weighted average number of shares in issue during the financial period.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/06/13	PRECEDING YEAR QUARTER 30/06/12	CURRENT YEAR TO DATE 30/06/13	PRECEDING YEAR TO DATE 30/06/12
Net profit attributable to owners of the parent (RM)	<u>(1,149,600)</u>	<u>(749,000)</u>	<u>(2,184,600)</u>	<u>(2,179,000)</u>
Weighted average number of ordinary shares	<u>568,753,033</u>	<u>568,753,033</u>	<u>568,753,033</u>	<u>568,753,033</u>
Basic earnings/(loss) per share (sen)	<u>(0.20)</u>	<u>(0.13)</u>	<u>(0.38)</u>	<u>(0.38)</u>
Weighted average number of ordinary shares	568,753,033	568,753,033	568,753,033	568,753,033
Effect of dilution	0	0	0	0
Adjusted weighted average number of ordinary shares in issue and issuable	<u>568,753,033</u>	<u>568,753,033</u>	<u>568,753,033</u>	<u>568,753,033</u>
Diluted earnings/(loss) per share (sen)	<u>(0.20)</u>	<u>(0.13)</u>	<u>(0.38)</u>	<u>(0.38)</u>

**B 13 QUALIFICATION OF FINANCIAL STATEMENTS**

The auditors' report for the preceding annual financial statements of the Group for the financial year ended 31 December 2012 was subject to qualification as below:

Included in the Group's intangible assets and the Company's investment in subsidiary are amounts of RM26,784,937 and RM38,250,000 representing goodwill on consolidation which arose on the acquisition of a subsidiary in prior year and the historical cost of investment in the said subsidiary. The said subsidiary reported a significant net loss after tax of RM10,632,028 in its audited financial statements for the financial year ended 31st December 2012. Notwithstanding the impairment loss on goodwill amounting to RM6,655,000 and impairment loss on investment in this subsidiary of RM18,100,000 made during the financial year as disclosed in Notes 12 and 13 to the Financial Statements, we are unable to obtain sufficient appropriate audit evidence that the remaining goodwill with a net carrying amount of RM20,129,937 and net carrying amount of investment of RM20,150,000 are not significantly impaired.

**B 14 AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 August 2013.