



RGB International Bhd. (603831-K)

(Incorporated in Malaysia)

Interim Unaudited Financial Statements
31 March 2014



CONTENTS

	PAGE
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	1
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	3
CONSOLIDATED STATEMENT OF CASH FLOWS	4 – 5
EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134	6 – 9
EXPLANATORY NOTES PURSUANT TO APPENDIX 9B (RULE 9.22(2)) OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)	10– 19



**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE THREE-MONTH FINANCIAL PERIOD ENDED 31 MARCH 2014**

	Note	3 MONTHS ENDED		3 MONTHS ENDED	
		31 MAR	31 MAR	31 MAR	31 MAR
		2014	2013	2014	2013
		RM'000	RM'000	RM'000	RM'000
Revenue	10	36,330	31,449	36,330	31,449
Cost of sales		(26,631)	(21,526)	(26,631)	(21,526)
- Depreciation		(7,123)	(8,297)	(7,123)	(8,297)
- Others		(19,508)	(13,229)	(19,508)	(13,229)
Gross profit		9,699	9,923	9,699	9,923
Other income		625	762	625	762
Administrative expenses		(6,679)	(6,762)	(6,679)	(6,762)
- Depreciation		(513)	(506)	(513)	(506)
- Others		(6,166)	(6,256)	(6,166)	(6,256)
Selling and marketing expenses		(279)	(331)	(279)	(331)
Other gain, net		278	235	278	235
Operating profit		3,644	3,827	3,644	3,827
Finance costs		(1,866)	(1,971)	(1,866)	(1,971)
Share of results of associates		4	718	4	718
Profit before tax		1,782	2,574	1,782	2,574
Income tax expense	21	(138)	(5)	(138)	(5)
Profit for the financial period		1,644	2,569	1,644	2,569
Other comprehensive (loss)/income, net of tax					
Item that may be subsequently reclassified to profit or loss:					
- Foreign currency translation, representing other comprehensive (loss)/income for the financial period		(1,363)	1,340	(1,363)	1,340
Total comprehensive income		281	3,909	281	3,909
Profit attributable to:					
Owners of the Company		1,719	2,593	1,719	2,593
Non-controlling interests		(75)	(24)	(75)	(24)
		1,644	2,569	1,644	2,569
Total comprehensive income attributable to:					
Owners of the Company		475	3,829	475	3,829
Non-controlling interests		(194)	80	(194)	80
		281	3,909	281	3,909
Earnings per share attributable to owners of the Company:					
Basic, for profit for the financial period (sen)	28	0.15	0.23	0.15	0.23
Diluted, for profit for the financial period (sen)	28	0.15	0.23	0.15	0.23



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2014**

	Note	AS AT 31 MAR 2014 RM'000	AS AT 31 DEC 2013 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	11	112,037	115,180
Investments in associates		130	128
Other receivables		159	181
Development costs		3,133	2,960
Other intangible assets		3,251	3,535
		<u>118,710</u>	<u>121,984</u>
Current assets			
Inventories		5,082	4,359
Trade Receivables		43,539	41,363
Other Receivables		10,352	8,203
Assets of disposal group classified as held for sale		1,223	1,241
Tax Recoverable		257	228
Due from associates		2,932	2,952
Deposits with licensed banks		9,675	10,134
Cash and bank balances		30,929	26,855
		<u>103,989</u>	<u>95,335</u>
TOTAL ASSETS		<u>222,699</u>	<u>217,319</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	8	115,941	115,911
Share premium		14,412	14,409
Foreign exchange translation reserve		(20,562)	(19,318)
Share option reserve		546	514
Accumulated losses		(34,835)	(36,554)
		<u>75,502</u>	<u>74,962</u>
Non-controlling interests		14,400	14,594
Total equity		<u>89,902</u>	<u>89,556</u>
Non-current liabilities			
Borrowings	23	45,008	48,168
Other payables		207	209
Deferred tax liabilities		190	190
		<u>45,405</u>	<u>48,567</u>
Current liabilities			
Borrowings	23	22,426	25,795
Trade payables		46,755	36,313
Other payables		17,167	16,039
Liabilities of disposal group classified as held for sale		82	82
Due to associates		70	70
Due to minority shareholder of a subsidiary		867	877
Tax payable		25	20
		<u>87,392</u>	<u>79,196</u>
Total liabilities		<u>132,797</u>	<u>127,763</u>
TOTAL EQUITY AND LIABILITIES		<u>222,699</u>	<u>217,319</u>
Net assets per share (sen)		<u>7</u>	<u>6</u>



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013 AND 31 MARCH 2014**

	----- Attributable to owners of the Company -----					----- Non-Distributable -----		
	Share Capital	Share Premium	Foreign Exchange Translation Reserve	Share Option Reserve	Accumulated Losses	Total	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2013	115,119	14,373	(30,187)	376	(40,185)	59,496	9,027	68,523
Profit for the financial period	-	-	-	-	2,593	2,593	(24)	2,569
Foreign currency translations	-	-	1,236	-	-	1,236	104	1,340
Total comprehensive income for the financial period	-	-	1,236	-	2,593	3,829	80	3,909
Transaction with owners:								
Share option granted under ESOS	-	-	-	37	-	37	-	37
Total transactions with owners	-	-	-	37	-	37	-	37
At 31 March 2013	115,119	14,373	(28,951)	413	(37,592)	63,362	9,107	72,469
At 1 January 2014	115,911	14,409	(19,318)	514	(36,554)	74,962	14,594	89,556
Profit for the financial period	-	-	-	-	1,719	1,719	(75)	1,644
Foreign currency translations	-	-	(1,244)	-	-	(1,244)	(119)	(1,363)
Total comprehensive income for the financial period	-	-	(1,244)	-	1,719	475	(194)	281
Transaction with owners:								
Issue of ordinary shares pursuant to ESOS	30	-	-	-	-	30	-	30
Share option granted under ESOS	-	3	-	32	-	35	-	35
Total transactions with owners	30	3	-	32	-	65	-	65
At 31 March 2014	115,941	14,412	(20,562)	546	(34,835)	75,502	14,400	89,902



**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014**

	3 MONTHS ENDED	
	31 MAR 2014 RM'000	31 MAR 2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,782	2,574
Adjustments for:		
Amortisation of development costs	7	7
Amortisation of other intangible assets	258	-
Bad debts written off	12	-
Depreciation	7,636	8,803
Gain on disposal of property, plant & equipment	-	(194)
Loss on disposal of an associate	-	600
Loss on winding up of a jointly controlled entity	-	57
Property, plant and equipment written off	20	3
Reversal of provision for doubtful debts	-	(1)
Reversal of provision for doubtful debts (non trade)	-	(61)
Written down of inventories	11	-
Share options granted under ESOS	35	37
Share of results of associates	(4)	(718)
Interest expense	1,832	1,928
Interest income	(69)	(52)
Operating profit before working capital changes	<u>11,520</u>	<u>12,983</u>
Net changes in receivables, amount due from jointly controlled entities, associates and inventories	(5,031)	11,838
Net changes in payables, amount due to associates and minority shareholders of a subsidiary	11,557	(11,611)
Interest paid	(311)	(430)
Taxes paid	(162)	(67)
Net cash generated from operating activities	<u>17,573</u>	<u>12,713</u>



**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014**

	3 MONTHS ENDED	
	31 MAR 2014 RM'000	31 MAR 2013 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(5,316)	(2,968)
Proceeds from disposal of property, plant and equipment	-	194
Changes in fixed deposits pledged to licensed banks	459	(132)
Changes in bank balances pledged to licensed banks	(121)	-
Expenditure on development costs	(200)	-
Proceeds from disposal of associates	-	145
Distribution from a jointly controlled entity	-	185
Partial consideration from disposal of a subsidiary	-	737
Interest received	69	52
Net cash used in investing activities	(5,109)	(1,787)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of onshore foreign currency loan	(3,987)	139
Net repayment of term loan and commercial papers	(4,622)	(2,543)
Repayment of finance lease liability	(27)	(43)
Proceeds from issuance of shares	30	-
Net cash used in financing activities	(8,606)	(2,447)
NET CHANGES IN CASH AND CASH EQUIVALENTS	3,858	8,479
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	(492)	847
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	23,851	21,888
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	27,217	31,214
* Cash and cash equivalents at end of the financial period comprise the following:		
Cash and bank balances	30,929	29,376
Deposits with licensed banks	9,675	7,005
Less: Bank overdrafts	(3,464)	(429)
	<u>37,140</u>	<u>35,952</u>
Add: Cash and bank balances for disposal group classified as held for sale	-	2
Less: Fixed deposit pledged to licensed banks	(9,675)	(4,740)
Less: Bank balances pledged to licensed banks	(248)	-
	<u>27,217</u>	<u>31,214</u>



PART A - EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013. The 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 2013.

2. Changes in Accounting Policies

2.1 Adoption of Standards, Amendments and Issues Committee (“IC”) Interpretations and changes in accounting policies

During the financial period, the Group has adopted the following Standards, Amendments and IC Interpretations:

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 *Separate Financial Statements (2011): Investment Entities*
Amendments to MFRS 132 *Offsetting Financial Assets and Financial Liabilities*
Amendments to MFRS 136 *Recoverable Amount Disclosures for Non-Financial Assets*
Amendments to MFRS 139 *Novation of Derivatives and Continuation of Hedge Accounting*
IC Interpretation 21 *Levies*

The adoption of the above pronouncements did not have any impact on the financial statements of the Group.

2.2 Standards issued but not yet effective

Defined Benefit Plans: Employee Contributions (Amendments to MFRS 119)
Amendments to MFRSs *Annual Improvements 2010 – 2012 Cycle*
Amendments to MFRSs *Annual Improvements 2011 – 2013 Cycle*
Mandatory Effective Date of MFRS 9 and Transition Disclosures
MFRS 9 *Financial Instruments* (2009)
MFRS 9 *Financial Instruments* (2010)
MFRS 9 *Financial Instruments (Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139)*

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application.



3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2013 was not qualified.

4. Significant Event

During the quarter under review, there were no events that have not been reflected in the financial statements.

5. Comments about Seasonal or Cyclical Factors

The overall business of the Group was not affected by any significant seasonal factors except for the sales of machines which are subject to seasonal fluctuation.

6. Unusual Items due to their Nature, Size or Incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows during the current quarter that are unusual because of their nature, size and incidence.

7. Changes in Estimates

There were no changes in the nature and amount of estimates reported that will have a material effect in the current quarter.

8. Changes in Debts and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except for the following:

- **Share Capital**

	Number of ordinary shares ('000) of RM0.10 each	
	2014	2013
As at 1 January	1,159,112	1,151,189
Issue of ordinary shares pursuant to ESOS	30	7,923
As at 31 March/31 December	<u>1,159,142</u>	<u>1,159,112</u>

9. Dividend Paid

No dividend was paid during the financial period ended 31 March 2014.



10. Segmental Information

Segment information is presented in respect of the Group's business segments:

	3 MONTHS ENDED		3 MONTHS ENDED	
	31 MAR	31 MAR	31 MAR	31 MAR
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Sales and Marketing	19,825	12,726	19,825	12,726
Technical Support and Management	16,413	18,569	16,413	18,569
Others (1)	140	202	140	202
	<u>36,378</u>	<u>31,497</u>	<u>36,378</u>	<u>31,497</u>
Eliminations	(48)	(48)	(48)	(48)
Revenue	<u>36,330</u>	<u>31,449</u>	<u>36,330</u>	<u>31,449</u>
EBITDA*				
Sales and Marketing	2,077	1,302	2,077	1,302
Technical Support and Management	9,914	12,652	9,914	12,652
Others	10	(91)	10	(91)
Unallocated	(486)	(550)	(486)	(550)
Total	<u>11,515</u>	<u>13,313</u>	<u>11,515</u>	<u>13,313</u>
Segment Results				
Sales and Marketing	1,777	558	1,777	558
Technical Support and Management	2,779	4,324	2,779	4,324
Others	(433)	(521)	(433)	(521)
	<u>4,123</u>	<u>4,361</u>	<u>4,123</u>	<u>4,361</u>
Unallocated expenses	(479)	(534)	(479)	(534)
- Foreign exchange gain	299	701	299	701
- Interest income	66	40	66	40
- Sundry Income	124	128	124	128
- Legal and professional fee	(88)	(365)	(88)	(365)
- Other expenses	(880)	(1,038)	(880)	(1,038)
	<u>3,644</u>	<u>3,827</u>	<u>3,644</u>	<u>3,827</u>
Operating profit	<u>3,644</u>	<u>3,827</u>	<u>3,644</u>	<u>3,827</u>

Note

(1) "Others" consist of revenue from leasing of Chateau building, manufacturing activities, research & development activities and inter-segment transaction.

* Earnings before interest, taxation, depreciation, amortisation, impairment of property, plant & equipment, intangible assets and investments.



11. Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment during the current quarter under review.

12. Subsequent Events

There were no material events subsequent to the end of the current quarter except for

- (a) Movieland Entertainment Co., Ltd., a dormant company incorporated in Cambodia, was deregistered on 8 April 2014.

13. Changes in the Composition of the Group during the quarter

There were no material changes in the composition of the Group.

14. Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities and assets since the previous quarter.

15. Capital Commitments

The amount of capital commitments approved but not provided for in the interim financial statements is as follows:

	AS AT 31 MAR 2014 RM'000
Gaming machines and equipment	<u>3,280</u>

16. Significant Related Party Transactions

There were no significant related party transactions during the current quarter.



B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

17. Performance Review

	3 MONTHS ENDED			3 MONTHS ENDED		
	31 MAR	31 MAR	%	31 MAR	31 MAR	%
	2014	2013		2014	2013	
	RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue						
Sales and Marketing	19,825	12,726	+56%	19,825	12,726	+56%
Technical Support and Management	16,413	18,569	-12%	16,413	18,569	-12%
Others (1)	92	154	-40%	92	154	-40%
Total	36,330	31,449	+16%	36,330	31,449	+16%
EBITDA*						
Sales and Marketing	2,077	1,302	+60%	2,077	1,302	+60%
Technical Support and Management	9,914	12,652	-22%	9,914	12,652	-22%
Others	10	(91)	+111%	10	(91)	+111%
Unallocated	(486)	(550)	-12%	(486)	(550)	-12%
Total	11,515	13,313	-14%	11,515	13,313	-14%
Profit/(Loss) before tax						
Sales and Marketing	1,677	1,232	+36%	1,677	1,232	+36%
Technical Support and Management	2,120	3,549	-40%	2,120	3,549	-40%
Others	(444)	(541)	-18%	(444)	(541)	-18%
	3,353	4,240	-21%	3,353	4,240	-21%
Unallocated Expenses	(1,571)	(1,666)	-6%	(1,571)	(1,666)	-6%
- Finance cost	(1,092)	(1,132)	-4%	(1,092)	(1,132)	-4%
- Foreign exchange gain	299	701	-57%	299	701	-57%
- Interest income	66	40	+65%	66	40	+65%
- Sundry Income	124	128	-3%	124	128	-3%
- Legal and professional fee	(88)	(365)	-76%	(88)	(365)	-76%
- Other expenses	(880)	(1,038)	-15%	(880)	(1,038)	-15%
Profit before tax	1,782	2,574	-31%	1,782	2,574	-31%

Note

(1) "Others" consist of revenue from leasing of Chateau building, manufacturing activities, research & development activities and inter-segment transaction.

* Earnings before interest, taxation, depreciation, amortisation, impairment of property, plant & equipment, intangible assets and investments.



17. Performance Review (Continued)

The Sales and Marketing (“SSM”) division’s revenue and profit before tax increased by 56% and 36% respectively for quarter ended 31 March 2014 as compared to previous year’s corresponding quarter mainly due to higher value product sold in the region.

The revenue and profit before tax for Technical Support and Management (“TSM”) division decreased by 12% and 40% respectively for the quarter ended 31 March 2014 as compared to previous year’s corresponding quarter. The lower revenue was impacted by lower player traffic in Poipet, Cambodia due to the political unrest in Thailand, competition from unauthorized operators and cessation of unprofitable concessions in Macau. The lower profit before tax is due to decrease in revenue from TSM outlets and additional transport expense for relocating machines across the regions.

The revenue of “Others” division was mainly contributed by sales of refurbished machines and table games layout.


18. Comparison with previous quarter's results

	CURRENT QUARTER RM'000	PREVIOUS QUARTER RM'000	% +/(-)
Revenue			
Sales and Marketing	19,825	17,682	+12%
Technical Support and Management	16,413	15,945	+3%
Others (1)	92	133	-31%
Revenue	<u>36,330</u>	<u>33,760</u>	<u>+8%</u>
EBITDA*			
Sales and Marketing	2,077	2,972	-30%
Technical Support and Management	9,914	11,711	-15%
Others	10	(1,058)	+101%
Unallocated	(486)	(1,371)	-65%
	<u>11,515</u>	<u>12,254</u>	<u>-6%</u>
Profit/(Loss) before tax			
Sales and Marketing	1,677	2,342	-28%
Technical Support and Management	2,120	2,603	-19%
Others	(444)	(1,551)	-71%
	<u>3,353</u>	<u>3,394</u>	<u>-1%</u>
Unallocated expenses	(1,571)	(2,192)	-28%
- Finance cost	(1,092)	(819)	+33%
- Foreign exchange gain/(loss)	299	(530)	+156%
- Interest income	66	96	-31%
- Sundry income	124	111	+12%
- Legal and professional fee	(88)	(75)	+17%
- Other expenses	(880)	(975)	-10%
Profit before tax	<u>1,782</u>	<u>1,202</u>	<u>+48%</u>

Note

(1) "Others" consist of revenue from leasing of Chateau building, manufacturing activities, research & development activities and inter-segment transaction.

* Earnings before interest, taxation, depreciation, amortisation, impairment of property, plant & equipment, intangible assets and investments.



18. Comparison with previous quarter's results (Continued)

The increase in revenue for SSM division in this quarter is due to increase in number of casino equipment sold in this quarter. However, the profit before tax for SSM division decreased by 28% due to different product mix in this quarter.

The revenue for TSM division increased slightly by 3% is due to better yield of machines in certain concessions in Cambodia and Laos.

The loss before taxation for Others is mainly related to R&D expenditures.

19. Commentary on Prospects

SSM Division expects to sell more than 1,200 machines in year 2014 in view of the anticipated opening of new Integrated Resorts and the expansion of existing Integrated Casinos in the region as substantial orders of machines have been received as at the date of this report.

TSM Division expects to add in at least three concessions in year 2014 of which two concessions have commenced operation since Feb 2014. The remaining outlet is expected to commence operation by 2nd half of 2014.

New cabinet, platform and additional games from RGBGames will be released to the markets by 2nd half of 2014.

In view of the foregoing and barring unforeseen circumstances, the Group expects to achieve better result in this year.

20. Profit Forecast

The company did not announce any profit forecast for the financial year.

21. Income Tax Expense

	3 MONTHS ENDED		3 MONTHS ENDED	
	31 MAR 2014	31 MAR 2013	31 MAR 2014	31 MAR 2013
	RM'000	RM'000	RM'000	RM'000
Income Tax				
- Current period	138	5	138	5

Domestic income tax is calculated at the Malaysian statutory rate of 25% (2013: 25%) of the estimated assessable profit for the financial period. The effective tax rate of the Group for the financial period is lower than the statutory income tax rate mainly due to income subjected to different tax jurisdictions and income not subjected to tax, partially offset by expenses not deductible for tax purposes.



22. Corporate Proposals

There were no corporate proposals announced but not completed as at 31 March 2014.

23. Borrowings

	AS AT 31 MAR 2014 RM'000	AS AT 31 DEC 2013 RM'000
Short Term Borrowings:		
<u>Secured</u>		
Bank overdrafts	3,464	2,878
Onshore foreign currency loan	6,123	10,110
Commercial papers	12,362	12,323
Finance lease liability	365	372
Term loans	112	112
	<u>22,426</u>	<u>25,795</u>
Long Term Borrowings:		
<u>Secured</u>		
Commercial papers	34,636	37,748
Finance lease liability	82	102
Term loans	290	318
	<u>35,008</u>	<u>38,168</u>
<u>Unsecured</u>		
Medium term notes	10,000	10,000
	<u>45,008</u>	<u>48,168</u>
Total borrowings	<u>67,434</u>	<u>73,963</u>
Borrowings denominated in foreign currency as at 31 March 2014:		
	USD'000	RM'000
Borrowings	<u>2,014</u>	<u>6,569</u>

24. Material Litigation

The Group is not engaged in any material litigation, either as plaintiff or defendant and the Directors do not know of any proceedings pending or threatened or of any fact likely to give to any proceedings which might adversely affect the position or business of the Group, save for the announcements made on 8 February 2013 and 15 February 2013.

There is no further development in connection with the above matter as at the date of this announcement.



25. Proposed Dividend

As at date of announcement, the shareholders have approved the payment of a final single-tier dividend of 0.05 sen per ordinary share in respect of the financial year ended 31 December 2013 (“the Dividend”) under Resolution 1 at the 11th Annual General Meeting of the Company held on 28 May 2014, the Dividend will be paid to the shareholders on 19 August 2014. The entitlement date for the Dividend shall be 31 July 2014.

26. Notes to the Statements of Profit or Loss and Other Comprehensive Income

The profit before taxation is after accounting for the following:

	3 MONTHS ENDED		3 MONTHS ENDED	
	31 MAR 2014	31 MAR 2013	31 MAR 2014	31 MAR 2013
	RM'000	RM'000	RM'000	RM'000
Interest income	(69)	(52)	(69)	(52)
Interest expenses	1,832	1,928	1,832	1,928
Amortisation of development costs	7	7	7	7
Amortisation of other intangible assets	258	-	258	-
Bad debts written off	12	-	12	-
Depreciation	7,636	8,803	7,636	8,803
Gain on disposal of property, plant & equipment	-	(194)	-	(194)
Loss on disposal of an associate	-	600	-	600
Loss on winding up of a jointly controlled entity	-	57	-	57
Property, plant and equipment written off	20	3	20	3
Reversal of provision for doubtful debts	-	(1)	-	(1)
Reversal of provision for doubtful debts (non trade)	-	(61)	-	(61)
Written down of inventories	11	-	11	-



27. Disclosure of Realised and Unrealised Profits/Losses

The Group's realised and unrealised accumulated losses disclosures are as follows:

	ACCUMULATED QUARTER ENDED	
	31 MAR 2014 RM'000	31 DEC 2013 RM'000
The accumulated losses of the Company and subsidiaries:		
- Realised	(129,191)	(127,913)
- Unrealised	5,888	5,259
Total share of accumulated losses from jointly controlled entities:		
- Realised	(58)	(58)
Total share of accumulated losses from associates:		
- Realised	253	250
- Unrealised	(265)	(265)
	<hr/>	<hr/>
	(123,373)	(122,727)
Add: Consolidation adjustments	88,538	86,173
Total Group accumulated losses	<hr/> (34,835)	<hr/> (36,554)



28. Earnings Per Share

(a) Basic

Basic earnings per ordinary share is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

	3 MONTHS ENDED		3 MONTHS ENDED	
	31 MAR 2014	31 MAR 2013	31 MAR 2014	31 MAR 2013
Profit attributable to owners of the Company (RM'000)	1,719	2,593	1,719	2,593
Weighted average number of ordinary shares in issue ('000)	1,159,362	1,151,189	1,159,362	1,151,189
Basic earnings per share (sen)	0.15	0.23	0.15	0.23

(b) Diluted

Diluted earnings per ordinary share is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares.

	3 MONTHS ENDED		3 MONTHS ENDED	
	31 MAR 2014	31 MAR 2013	31 MAR 2014	31 MAR 2013
Profit attributable to owners of the Company (RM'000)	1,719	2,593	1,719	2,593
Weighted average number of ordinary shares in issue ('000)	1,159,362	1,151,189	1,159,362	1,151,189
Effect of dilution of share options	7,392	-	7,392	-
Adjusted weighted average number of ordinary shares ('000)	1,166,754	1,151,189	1,166,754	1,151,189
Diluted earnings per share (sen)	0.15	0.23	0.15	0.23



RGB International Bhd. (603831-K)

29. Authorisation for Issue

On 28 May 2014, the Board of Directors authorised the issue of these interim financial statements.

By Order of the Board
RGB International Bhd. (603831-K)

Datuk Chuah Kim Seah, JP
Managing Director
28 May 2014