

THE MEDIA SHOPPE BERHAD

Year 2014

2nd Quarter Announcement

The Media Shoppe Berhad
(Incorporated in Malaysia - Company No. 383028-D)
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the quarter ended 30 June 2014

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	2014 CURRENT YEAR QUARTER <u>30/6/2014</u> (Unaudited) RM'000	2013 PRECEDING YEAR CORRESPONDING QUARTER <u>30/6/2013</u> (Unaudited) RM'000	2014 CURRENT YEAR-TO-DATE <u>30/6/2014</u> (Unaudited) RM'000	2013 PRECEDING YEAR CORRESPONDING PERIOD <u>30/6/2013</u> (Unaudited) RM'000
Revenue	57,030	58,562	117,532	109,042
Direct costs	(53,403)	(54,419)	(108,266)	(100,152)
Gross profit	<u>3,627</u>	<u>4,143</u>	<u>9,266</u>	<u>8,890</u>
Other income	218	321	701	853
	<u>3,845</u>	<u>4,464</u>	<u>9,967</u>	<u>9,743</u>
Operating expenses	(5,163)	(5,413)	(11,329)	(13,003)
Finance costs	(9)	(22)	(14)	(45)
Loss before taxation	<u>(1,327)</u>	<u>(971)</u>	<u>(1,376)</u>	<u>(3,305)</u>
Income tax expense	(261)	(314)	(398)	(640)
Loss after taxation	<u>(1,588)</u>	<u>(1,285)</u>	<u>(1,774)</u>	<u>(3,945)</u>
Other comprehensive (expenses)/income, net of tax	- *	(1)	1	(1)
Total comprehensive expenses	<u>(1,588)</u>	<u>(1,286)</u>	<u>(1,773)</u>	<u>(3,946)</u>
Loss after taxation attributable to:-				
Owners of the Company	(1,521)	(1,185)	(1,598)	(3,752)
Non-controlling interest	(67)	(100)	(176)	(193)
	<u>(1,588)</u>	<u>(1,285)</u>	<u>(1,774)</u>	<u>(3,945)</u>
Total comprehensive expenses attributable to:-				
Owners of the Company	(1,521)	(1,185)	(1,598)	(3,752)
Non-controlling interest	(67)	(101)	(175)	(194)
	<u>(1,588)</u>	<u>(1,286)</u>	<u>(1,773)</u>	<u>(3,946)</u>
Loss per share (in sen)				
Basic LPS	(0.17)	(0.15)	(0.18)	(0.53)
Diluted LPS	N/A	N/A	N/A	N/A

Note:-

* - Amount less than RM1,000

(The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

The Media Shoppe Berhad (383028-D)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2014

	(UNAUDITED)	(AUDITED)
	As at 30 June 2014 RM'000	As at 31 December 2013 RM'000
ASSETS:		
Non-Current Assets:		
Property and equipment	14,338	12,068
Other investments	250	250
Software development costs	211	250
Goodwill on consolidation	7,184	7,184
	<u>21,983</u>	<u>19,752</u>
Current Assets:		
Inventories	17,419	13,693
Trade and other receivables	19,457	18,330
Tax refundable	133	77
Cash and cash equivalents	35,329	38,208
	<u>72,338</u>	<u>70,308</u>
TOTAL ASSETS	<u>94,321</u>	<u>90,060</u>
EQUITY AND LIABILITIES:		
EQUITY		
Share capital	87,018	87,018
Reserves	(14,364)	(12,766)
Total equity attributable to owners of the Company	72,654	74,252
Non-controlling interest	206	136
TOTAL EQUITY	<u>72,860</u>	<u>74,388</u>
Non-Current Liabilities:		
Hire purchase payables	351	164
Deferred tax liabilities	38	38
	<u>389</u>	<u>202</u>
Current Liabilities:		
Trade and other payables	20,586	14,925
Short-term borrowings:		
- Bankers' acceptance	331	266
- Hire purchase payables	56	71
Provision for taxation	99	208
	<u>21,072</u>	<u>15,470</u>
TOTAL LIABILITIES	<u>21,461</u>	<u>15,672</u>
TOTAL EQUITY AND LIABILITIES	<u>94,321</u>	<u>90,060</u>
Net assets per share (sen)	8.35	8.53

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

The Media Shoppe Berhad (383028-D)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the six (6) months ended 30 June 2014

	(UNAUDITED) CURRENT YEAR-TO-DATE 30 June 2014 RM'000	(UNAUDITED) PRECEDING YEAR CORRESPONDING PERIOD 30 June 2013 RM'000
CASH FLOW FOR OPERATING ACTIVITIES		
Loss before taxation	(1,376)	(3,305)
Adjustments for non-cash items:		
Amortisation of software development costs	39	39
Bad debts written off	-	40
Depreciation of property and equipment	1,013	704
Equipment written off	3	-
Impairment losses on trade receivables	618	415
Interest expense	14	45
Share-based payment arising from ESOS	-	2,800
Unrealised (gain)/loss on foreign exchange	-	-
Gain on disposal of equipment	(71)	-
Interest income	(222)	(206)
Reversal of impairment losses on trade receivables	(372)	(647)
Operating loss before changes in working capital	(354)	(115)
Net change in inventories	(3,725)	(487)
Net change in trade & other receivables	(1,129)	7,178
Net change in trade & other payables	5,660	(15,126)
Cash flow from/(for) operations	452	(8,550)
Income tax paid	(563)	(796)
Interest paid	(14)	(45)
Net cash for operating activities	(125)	(9,391)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Interest received	222	206
Proceeds from disposal of equipment	188	-
Purchase of property and equipment	(3,003)	(3,465)
Net cash inflow on acquisition of subsidiaries	-	4,508
Net cash (for)/from investing activities	(2,593)	1,249
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables	(228)	(39)
Repayment of term loan	-	(28)
Net drawdown of bankers' acceptances	66	-
Proceeds from exercise of ESOS	-	14,000
Expenses incurred in relation to acquisition of subsidiaries	-	(405)
Net cash (for)/from financing activities	(162)	13,528
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,880)	5,386
EFFECT OF FOREIGN EXCHANGE TRANSLATION	1	(1)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	38,208	28,320
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	Note 1 <u>35,329</u>	<u>33,705</u>

Note:-

* - Amount less than RM1,000

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

Note 1

<u>Cash and Cash Equivalents:</u>	30/6/2014	30/6/2013
Short-term investments	14,146	13,655
Deposits with licensed bank	2,215	439
Cash and bank balances	18,968	19,611
	<u>35,329</u>	<u>33,705</u>

The Media Shoppe Berhad (383028-D)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six (6) months ended 30 June 2014

	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Foreign Exchange Translation Reserve RM'000	Employees Share Option Reserve RM'000	Accumulated Losses RM'000	Attributable To Owners of the Company RM'000	Non-Controlling Interest ("NCI") RM'000	Total RM'000
6 months ended 30 June 2013									
Balance as at 1 January 2013	50,628	1,742	10,146	-	-	(22,792)	39,724	-	39,724
Transactions with owners of the Company:-									
Issuance of shares pursuant to acquisition of subsidiaries	14,480	-	-	-	-	-	14,480	-	14,480
Expenses incurred in relation to acquisition of subsidiaries	-	(405)	-	-	-	-	(405)	-	(405)
NCI share of the acquiree's net identifiable assets	-	-	-	-	-	-	-	267	267
Share option granted under ESOS	-	-	-	-	2,800	-	2,800	-	2,800
Exercise of ESOS	14,000	2,800	-	-	(2,800)	-	14,000	-	14,000
Total transactions with owners	28,480	2,395	-	-	-	-	30,875	267	31,142
Loss after taxation for the 6 months ended 30 June 2013	-	-	-	-	-	(3,752)	(3,752)	(193)	(3,945)
Other comprehensive expenses for the 6 months ended 30 June 2013 - Foreign currency translation	-	-	-	-	*	-	-	*	(1)
Total comprehensive expenses for the 6 months ended 30 June 2013	-	-	-	-	*	(3,752)	(3,752)	(194)	(3,946)
Balance as at 30 June 2013	79,108	4,137	10,146	-	*	(26,544)	66,847	73	66,920

Note:-

* - Amount less than RM1,000

(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 2013 and the accompanying explanatory notes attached to the interim financial statements.)

THE MEDIA SHOPPE BERHAD (“TMS” or “The Company”)

(Company No. 383028-D)
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2014

Part A

Explanatory Notes Pursuant To Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting

A1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”), IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board and Paragraph 9.22 of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of The Media Shoppe Berhad (“TMS” or “the Company”) and its subsidiaries (“the Group”) for the financial year ended 31 December 2013. The explanatory notes attached to the condensed consolidated 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 year ended 31 December 2013.

A2. Changes in Accounting Policies

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2013.

The adoption of the following MFRSs, Amendments to MFRSs and IC Interpretation that came into effect on or after 1 January 2014 did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.

- Amendments to MFRS 10, MFRS 12 and MFRS 127 (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
- Amendments to MFRS 119: Defined Benefit Plans - Employee Contributions
- Annual Improvements to MFRSs 2010 - 2012 Cycle
- Annual Improvements to MFRSs 2011 - 2013 Cycle

A3. Auditors' Report on Preceding Annual Financial Statements

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

A4. Seasonality or Cyclicity of Operations

The Group's operations are not materially affected by any seasonal or cyclical factors.

A5. Unusual Items

There are no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter under review.

A6. Material Changes in Estimates

There were no material changes in estimates during the quarter under review.

A7. Issuances, Repurchases, and Repayments of Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares during the quarter under review.

A8. Dividends Paid

There were no dividends paid during the quarter under review.

A9. Operating Segment Information

The segment information for the current quarter is as follows:-

	Provision of Integrated Web-Based and Workflow System RM'000	Trading of IT and ICT Products RM'000	The Group RM'000
Current quarter ended 30 June 2014			
Revenue			
External revenue	2,731	54,299	57,030
Results			
Segment results	(1,878)	940	(938)
Gain on disposal of equipment	71	-	71
Interest income	103	7	110
Amortisation of software development costs	(19)	-	(19)
Depreciation of property and equipment	(78)	(430)	(508)
Impairment losses on trade receivables	(34)	-	(34)
Interest expense	(3)	(6)	(9)
	(1,838)	511	(1,327)
Income tax expense	-	(261)	(261)
Consolidated (loss)/profit after taxation	(1,838)	250	(1,588)
Assets			
Segment assets/Consolidated total assets	31,147	63,174	94,321
Liabilities			
Segment liabilities/Consolidated total liabilities	2,396	19,065	21,461

A9. Operating Segment Information (Cont'd)

Corresponding quarter ended 30 June 2013	Provision of Integrated Web-Based and Workflow System RM'000	Trading of IT and ICT Products RM'000	The Group RM'000
Revenue			
External revenue	1,244	57,318	58,562
Results			
Segment results	(1,244)	617	(627)
Interest income	100	5	105
Reversal of impairment losses on trade receivables	216	-	216
Amortisation of software development costs	(19)	-	(19)
Bad debts written off	(40)	-	(40)
Depreciation of property and equipment	(113)	(241)	(354)
Impairment losses on trade receivables	(230)	-	(230)
Interest expense	(22)	- *	(22)
	(1,352)	381	(971)
Income tax expense	(11)	(303)	(314)
Consolidated (loss)/profit after taxation	(1,363)	78	(1,285)
Assets			
Segment assets/Consolidated total assets	30,010	57,368	87,378
Liabilities			
Segment liabilities/Consolidated total liabilities	3,781	16,677	20,458

Note:-

* - Amount less than RM1,000

The Group operates principally in Malaysia.

A10. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the current quarter up to 15 August 2014, being the last practicable date from the date of the issue of this report that are expected to have an operational or financial impact on the Group.

A11. Changes in the Composition of the Group

The Company had on 28 May 2014 subscribed for 255,000 ordinary shares of RM1.00 each at par of Lephone (SEA) Sdn Bhd (“Lephone”), representing 51% equity interest in Lephone (“Acquisition”) pursuant to the terms and conditions as contained in the Joint Venture Agreement dated 9 December 2013.

Lephone was incorporated on 28 May 2014 under the Companies Act, 1965 as private limited company and the principal activity is to distribute all products of ShenZhen Blephone Technology Co., Ltd. The authorised share capital of Lephone is RM500,000 divided into 500,000 ordinary shares of RM1.00 each and the paid-up capital is RM500,000.00 divided into 500,000 ordinary shares of RM1.00 each.

Subsequent to the Acquisition, Lephone shall become a 51% owned subsidiary of TMS.

A12. Changes in Contingent Liabilities and Contingent Assets since the Last Annual Balance Sheet Date

Since the last annual balance sheet date, there were no material changes in contingent liabilities and contingent assets for the Group as at 15 August 2014 (the latest practicable date not earlier than seven (7) days from the date of issue of this report).

A13. Capital Commitments

	RM'000
Approved and Contracted for:-	
Property	748

Save for the above, there were no capital commitments as at 15 August 2014 (the latest practicable date not earlier than seven (7) days from the date of issue of this report).

A14. Related Party Transactions

The Group's related party transactions in the current quarter and the cumulative period-to-date ended 30.6.2014 are as follows:

	Current quarter RM'000	Cumulative period-to-date RM'000
Professional services rendered by a company in which a director is a common director and has substantial financial interest	26	53
Direct purchases from a related party	4	4
Subscription fee charged by a related party	20	20
Licensing fee charged by a related party	1	1
Administrative expenses charged to a related party	107	107
Key management personnel:-		
- salaries and allowances	117	229
- defined contribution plans	15	29
- others	- *	1
- fee	30	65

Note:-

* - Amount less than RM1,000

A15. Changes in Fair Value of Financial Assets and Financial Liabilities, Transfers and Classifications

There have been no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities in the current quarter ended 30 June 2014.

Part B**Explanatory Notes Pursuant To Paragraph 9.22 of the Listing Requirements****B1. Detailed Analysis of Overall Performance**

	Individual Quarter		Cumulative Period	
	30.6.2014 RM'000	30.6.2013 RM'000	30.6.2014 RM'000	30.6.2013 RM'000
Revenue	57,030	58,562	117,532	109,042
Loss before taxation	(1,327)	(971)	(1,376)	(3,305)

For the current quarter under review, the Group generated revenue of RM57.0 million for the quarter ended 30 June 2014, representing a decrease of 3% as compared to RM58.6 million reported in the quarter ended 30 June 2013. The decrease in revenue is mainly due to decrease in revenue from the division of trading of Information Technology (IT) and Information Communication Technology (ICT) products. Loss before taxation has increased by RM0.4 million mainly attributable to operating costs incurred for projects from the division of provision of integrated web-based and workflow system.

For the cumulative period under review, the Group generated revenue of RM117.5 million for the quarter ended 30 June 2014, representing an increase of 8% as compared to RM109.0 million reported in the quarter ended 30 June 2013. The increase in revenue is derived from the division of trading of IT and ICT products of RM4.8 million and provision of integrated web-based and workflow system of RM3.7 million. Loss before taxation has reduced by RM1.9 million as compared with the corresponding quarter ended 30 June 2013. By excluding the effect of the cost of option under the Employees Share Option Scheme ("ESOS") which was amounted to RM2.8 million in the first quarter of 2013, loss before taxation for the current quarter has increased by RM0.9 million. This is mainly due to higher operating costs from IT and ICT division.

B2. Comments on Material Changes in the Loss Before Taxation for the Quarter Reported as Compared with the Preceding Quarter

	Current quarter ended 30.6.2014 RM'000	Previous quarter ended 31.3.2014 RM'000
Revenue	57,030	60,502
Loss before taxation	(1,327)	(49)

The decrease in revenue in the current quarter was RM3.5 million, representing a decrease of 6% as compared to the previous quarter. This is mainly due to the decrease in revenue from IT and ICT division of RM2.0 million and provision of integrated web-based and workflow system of RM1.5 million.

Loss before taxation has increased by RM1.3 million as compared with previous quarter as a result of lesser revenue recognised for the current quarter as yet to achieve its milestone for billing coupled with increased operating costs in provision of integrated web-based and workflow system division.

B3. Detailed Analysis of the Group's Operating Segments

There are two operating segments for the current quarter which consists of:-

(1) Provision of integrated web-based and workflow system

Revenue from this division has increased in the current quarter as compared to the corresponding quarter ended 30 June 2013 mainly due to higher revenue contribution from training fee and third party products and services for a new project secured in 2014. Loss before taxation has increased by RM0.5 million mainly due to increased operating costs for projects.

For the cumulative period under review, revenue has increased mainly attributable to a new project secured in first quarter of year 2014. By excluding the effect of the cost of option under the Employees Share Option Scheme ("ESOS") which was amounted to RM2.8 million in the first quarter of 2013, there was no material fluctuation in loss before taxation.

(2) Trading of IT and ICT products

Revenue from this division has decreased in the current quarter as compared to the previous quarter and corresponding quarter ended 30 June 2013, respectively. This is mainly due to lesser orders from customers.

Profit before taxation has increased in the current quarter as compared with the previous quarter and corresponding quarter ended 30 June 2013, respectively due to lesser operating costs incurred.

B4. Commentary on Prospects

The Group strives for better performance by continue looking at areas of growth in the business segments as well as strengthening the Group's position in the market. Barring unforeseen circumstances, the Group's performance for the current financial year is expected to be better than of the previous financial year.

B5. Variance between Actual Profit and Forecast Profit or Profit Guarantee

The Company has entered into a profit guarantee agreement with the vendors of Open Adventure Sdn Bhd ("OA") and Viewnet Computer System Sdn Bhd ("Viewnet"), respectively, that the audited profit after tax of OA and Viewnet shall not be less than RM0.6 million and RM2.5 million, respectively, until the financial year ending 31 December 2014. .

Proportionately, OA's performance is behind the profit guarantee mainly due to the source of revenue for OA is mostly project-based, of which recognition of revenue is dependent on the stages of work performed and OA has incurred fixed technical staff costs in order to cope with potential projects which are expected to be materialised in the second half of 2014 as well as involved in products development for targeted markets. Thus, the management of OA is confident in meeting the profit guarantee.

Viewnet is fairly consistent in meeting the profit guarantee.

B6. Tax Expense

The tax expense is as follows:

	Current Year Quarter RM'000	Current Year-To-Date RM'000
Current tax expense:		
- For the current financial period	(261)	(398)

B7. Status of Corporate Proposals

There was no corporate proposal as at 15 August 2014 (the latest practicable date not earlier than seven (7) days from the date of issue of this report) pending for completion.

B8. Utilisation Of Proceeds

Rights Issue with Warrants

On 19 January 2012, HLIB on behalf of TMS announced that the Rights Issue with Warrants has been completed following the listing of and quotation for 312,631,700 Rights Shares together with 234,473,775 Warrants on the ACE Market of Bursa Securities.

Purposes	Proposed Utilisation	Actual Utilisation As At 30.6.2014	Revised Timeframe for Utilisation	Deviation		Explanation
	RM'000	RM'000		RM'000	%	
Working capital requirements	9,004	4,158	Within 36 months	4,846	53.8	N1
Expansion of existing business	9,782	9,782	Within 24 months	-	-	
Overseas expansion	12,000	-	Within 36 months	12,000	100.0	N1
Estimated expenses in relation to the Rights Issue with Warrants	477	477	Within 1 month	-	-	
Total	31,263	14,417				

N1 Pending utilisation.

B9. Details of Group Borrowings and Debt Securities

The Group's interest-bearing borrowings as at the end of the reporting period are as follows:

	As at 30.6.2014 RM'000
Current - secured	
Hire purchase payables - payable within 12 months	56
Bankers' acceptance	331
	<hr/> 387 <hr/>
Non-current - secured	
Hire purchase payables - payable after 12 months	351
	<hr/> 738 <hr/>

B10. Gains and Losses arising from Fair Value Changes of Financial Liabilities

No gains or losses were recognised for changes in fair values of financial liabilities during the quarter under review.

B11. Dividends

No interim dividend has been declared or proposed for the quarter under review.

B12. Loss per Share

The loss per share was calculated by dividing the Company's loss after taxation and non-controlling interest by the weighted average number of ordinary shares in the respective period as follows:

	Individual Quarter		Cumulative Period	
	Current Year Quarter Ended 30.6.2014	Preceding Year Corresponding Quarter Ended 30.6.2013	Current Year-to-date Ended 30.6.2014	Preceding Year Corresponding Period Ended 30.6.2013
Basic loss per share				
Loss for the period (RM'000)	(1,521)	(1,185)	(1,598)	(3,752)
Weighted average number of ordinary shares	870,182,890	791,075,890	870,182,890	711,442,715
Basic loss per share (sen)	(0.17)	(0.15)	(0.18)	(0.53)
Diluted earnings per share	N/A	N/A	N/A	N/A

B13. Notes to the Statement of Profit or Loss and Other Comprehensive Income

	Current quarter 30/6/2014 RM'000	Current year-to-date 30/6/2014 RM'000
Interest income	110	222
Other income	N/A	N/A
Interest expense	9	14
Depreciation of property and equipment	508	1,013
Amortisation of software development costs	19	39
Impairment losses on trade receivables	34	618
Reversal of impairment losses on trade receivables	-	372
Provision for and write off of inventories	N/A	N/A
Gain or loss on disposal of quoted or unquoted investments or properties	N/A	N/A
Impairment of assets	N/A	N/A
Unrealised (gain)/loss on foreign exchange	- *	- *
Realised loss on foreign exchange	- *	- *
Gain or loss on derivatives	N/A	N/A
Exceptional items	N/A	N/A

Note:-

* - Amount less than RM1,000

B14. Disclosure of Realised and Unrealised Profit or Losses

Pursuant to the directive dated 25 March 2010 issued by Bursa Securities, the breakdown of the accumulated losses can be analysed as follows:

	As at 30.6.2014 RM'000	As at 31.12.2013 RM'000
Total accumulated losses of the Group:		
- realised	(31,754)	(30,008)
- unrealised	-	-
	<hr/>	<hr/>
	(31,754)	(30,008)
Less: Consolidation Adjustments	1,989	1,841
	<hr/>	<hr/>
	(29,765)	(28,167)

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements", issued by the Malaysian Institute of Accountants on 20 December 2010.

B15. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 22 August 2014.