

ETI TECH CORPORATION BERHAD (667845-M)
(Incorporated in Malaysia)
QUARTERLY REPORT FOR THE QUARTER ENDED 28 FEBRUARY 2013

The Board of Directors of ETI TECH Corporation Berhad ("ETICB" or "Company") is pleased to announce the following unaudited consolidated results for the quarter ended 28 February 2013.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER QUARTER ENDED 28.02.2013	Note 1 RM'000	CUMULATIVE QUARTER 18 MONTHS ENDED 28.02.2013	PERIOD ENDED 31.08.2011 Note 1 RM'000
	RM'000		RM'000	
Revenue	95		72,365	57,995
Other operating income	10		2,030	480
Operating expenses	(36,363)		(129,138)	(53,247)
Finance costs	(124)		(1,982)	(1,178)
(Loss) / Profit before taxation	(36,382)	-	(56,725)	4,050
Taxation	3	-	409	(304)
(Loss) / Profit for the period	(36,379)	-	(56,316)	3,746
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	(36,379)	-	(56,316)	3,746
(Loss) / Profit for the period attributable to :				
Owners of the parent	(36,379)	-	(56,316)	3,746
Non-controlling interest	-	-	-	-
	(36,379)	-	(56,316)	3,746
Total comprehensive income attributable to :				
Owners of the parent	(36,379)	-	(56,316)	3,746
Non-controlling interest	-	-	-	-
	(36,379)	-	(56,316)	3,746
Earnings per share (sen)				
1) Basic	(5.15)	-	(7.97)	0.55
2) Diluted	(5.15)	-	(7.97)	0.55

Notes:-

1. There are no comparative figures for the preceding year individual and cumulative quarters as the company has changed its year end from 31 August to 28 February. The first set of financial statements with the new year end will be for the 18 months period ending 28 February 2013.

2. The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 August 2011 and the accompanying explanatory notes of this interim financial report.

ETI TECH CORPORATION BERHAD (667845-M)
(Incorporated in Malaysia)
QUARTERLY REPORT FOR THE QUARTER ENDED 28 FEBRUARY 2013

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 28.02.2013 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR 31.08.2011 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	12,211	16,120
Development expenditure	26,653	32,647
	<u>38,864</u>	<u>48,767</u>
CURRENT ASSETS		
Inventories	37,374	38,848
Trade receivables	5,225	31,180
Other receivables	85	6,004
Short-term deposits with a licensed bank	875	852
Cash and cash equivalents	14	6,969
	<u>43,573</u>	<u>83,853</u>
TOTAL ASSETS	<u>82,437</u>	<u>132,620</u>
EQUITY		
Share capital	70,627	68,077
Share premium	1,785	-
Retained profits	(19,966)	36,350
TOTAL EQUITY	<u>52,446</u>	<u>104,427</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	379	788
Hire purchase payables	1,953	2,910
Bank borrowings	-	3,011
	<u>2,332</u>	<u>6,709</u>
CURRENT LIABILITIES		
Trade payables	297	1,729
Other payables	2,135	1,267
Hire purchase payables	729	613
Bank borrowings	24,498	17,875
	<u>27,659</u>	<u>21,484</u>
TOTAL LIABILITIES	<u>29,991</u>	<u>28,193</u>
TOTAL EQUITY AND LIABILITIES	<u>82,437</u>	<u>132,620</u>
Net assets per share (RM)	<u>0.07</u>	<u>0.15</u>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 August 2011 and the accompanying explanatory notes of this interim financial report.

ETI TECH CORPORATION BERHAD (667845-M)
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QUARTERLY REPORT FOR THE QUARTER ENDED 28 FEBRUARY 2013

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	18 MONTHS ENDED 28.02.2013 RM'000	12 MONTHS ENDED 31.08.2011 RM'000
Cash flows from operating activities		
(Loss) / Profit before tax	(56,725)	4,050
Adjustments for:		
Non-cash items	55,428	4,184
Non operating items	1,957	1,149
Operating profit before working capital changes	660	9,383
Changes in working capital:		
Net changes in current assets	(10,488)	(10,928)
Net changes in current liabilities	(564)	(1,403)
Net cash used in operating activities	(10,392)	(2,948)
Cash flows from investing activities		
Interest received	25	29
Purchase of property, plant and equipment	(219)	(6,733)
Proceed from disposal of property, plant and equipment	-	1,486
Development expenditure	(1,470)	(2,610)
Net cash used in investing activities	(1,664)	(7,828)
Cash flows from financing activities		
Proceed from hire purchase creditor	133	3,619
Proceed from public share issue	4,335	-
Increase in short term bank borrowings (net)	3,927	9,151
Interest paid	(1,982)	(1,178)
Repayment of hire purchase	(974)	(96)
Repayment of term loans	(315)	(197)
Short-term deposits held as security	(23)	(29)
Net cash generated from financing activities	5,101	11,270
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(6,955)	494
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	6,969	6,475
CASH AND CASH EQUIVALENTS CARRIED FORWARD	14	6,969

The unaudited condensed consolidated statement of cashflows should be read in conjunction with the audited financial statements for the financial year ended 31 August 2011 and the accompanying explanatory notes of this interim financial report.

ETI TECH CORPORATION BERHAD (667845-M)
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QUARTERLY REPORT FOR THE QUARTER ENDED 28 FEBRUARY 2013

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<u>SHARE CAPITAL</u> RM'000	<u>SHARE PREMIUM</u> RM'000	<u>RETAINED PROFITS</u> RM'000	<u>TOTAL</u> RM'000
Quarter ended 28 Feb 2013				
Balance at 1.9.2011	68,077	-	36,350	104,427
Public share issue	2,550	1,785	-	4,335
Total comprehensive income for the period	-	-	(56,316)	(56,316)
Balance at 28.02.2013	<u>70,627</u>	<u>1,785</u>	<u>(19,966)</u>	<u>52,446</u>
Period ended 31 Aug 2011				
Balance at 1.9.2010	68,077	-	32,604	100,681
Total comprehensive income for the period	-	-	3,746	3,746
Balance at 31.8.2011	<u>68,077</u>	<u>-</u>	<u>36,350</u>	<u>104,427</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 August 2011 and the accompanying explanatory notes of this interim financial report.

ETI TECH CORPORATION BERHAD (667845-M)
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QUARTERLY REPORT FOR THE QUARTER ENDED 28 FEBRUARY 2013

PART A - EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING STANDARD ("FRS") 134 (INTERIM FINANCIAL REPORTING)

A1. Basis of preparation

These interim financial statements have not been audited and have been prepared in compliance with FRS 134, "Interim Financial Reporting", issued by the Malaysian Accounting Standards Board ("MASB") and the disclosure requirements as set out in Appendix 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the Main Market ("Main Market Listing Requirements").

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 August 2011. The explanatory notes attached to the interim financial report 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 August 2011.

The accounting principles, methods of computation and bases used for this quarterly financial report are consistent with those adopted for the annual audited financial statements for the year ended 31 August 2011 except for the adoption of the following new/revised FRSs, amendments to FRSs and IC interpretations:

- (i) **Adoption of New and Revised FRSs, IC Interpretations and Amendments**
Effective for annual financial period beginning on or after 1 January 2011

Standard/Interpretation

Amendments to FRS 1 *Limited Exemption from Comparative FRS 7 Disclosure for First-time Adopters*

Amendments to FRS 2 *Share-based Payment-Vesting Conditions and Cancellations*

Amendments to FRS 7 *Improving Disclosures about Financial Instruments*

IC Interpretation 4 *Determining whether an Arrangement contains a Lease*

IC Interpretation 18 *Transfers of Assets from Customers*

Amendments to FRSs contained in the documents entitled "Improvements to FRSs (2010)"

The adoption of the above FRSs, amendments and interpretations do not have significant impact on the financial statement of the Group.

- (ii) **New and Revised FRSs, IC Interpretations and Amendments issued but not yet effective for the Group's current quarter report.**

IC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*

Amendments to IC Interpretation 14 *Prepayment of a Minimum Funding Requirement*

IC Interpretation 15 *Agreements for Construction of Real Estate*

FRS 124 *Related Party Disclosures (revised)*

Amendments to FRS 1 *Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*

Amendments to FRS 7 *Disclosures – Transfers of Financial Assets*

Amendments to FRS 112 *Deferred Tax: Recovery of Underlying Assets*

Amendments to FRS 101 *Presentation of Items of Other Comprehensive Income*

FRS 9 Financial Instruments

FRS 10 Consolidated Financial Statements

FRS 11 Joint Arrangements

FRS 12 Disclosure of Interests in Other Entities

FRS 13 Fair Value Measurement

FRS 119 Employee Benefits

FRS 127 Separate Financial Statements

FRS 128 Investments in Associates and Joint Ventures

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

The adoption of other New and Revised FRSs, IC Interpretations and Amendments will have no significant impact or not result in changes to the existing accounting policies.

A2. Seasonal or cyclical operations

There is no material seasonal or cyclical fluctuation in the operations of the Group.

A3. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There was no item of unusual nature or amount affecting the assets, liabilities, equity, net income or cash flows during the current quarter under review.

A4. Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year, which give a material effect in the current interim period

There was no material change in the estimates of amounts reported in prior interim periods of the current financial year or prior years that have a material effect on the current quarter under review.

A5. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuance, cancellations, repurchase, resale and repayments of debts and equity securities during the current quarter under review and the Company had not engaged in any share buyback scheme or implemented any share cancellation.

A6. Dividend paid

No dividend was declared or paid during the current quarter under review.

A7. Segmental information

The ETICB Group operates in one industry and accordingly, only geographical segmental information is presented as follows:-

	Current Quarter 28.02.2013 RM'000	Current Period To Date 28.02.2013 RM'000
<i>Revenue</i>		
Export sales		
- Taiwan	-	28,563
- Hong Kong	-	7,528
- China	-	2,819
- USA	22	1,316
- India	-	78
- Thailand	-	6,684
- Mexico	-	4
- Japan	-	395
- S'pore	-	1
Domestic sales	73	24,977
Total	95	72,365

A8. Valuation of property, plant and equipment

There was no valuation on any of the ETICB Group's property, plant and equipment during the current quarter under review.

A9. Acquisition of property, plant and equipment

There was no material acquisition or disposal of property, plant and equipment of the ETICB Group during the current quarter under review.

A10. Significant events during the current quarter

On 17 December 2012, the Board of Directors of ETICB has approved the change of financial year from August 31 to February 28. Thus, the next audited financial statements shall be for a period of eighteen (18) months, made up from September 1, 2011 to February 28, 2013. Thereafter, subsequent financial year of the Company ends February 28 every year. The change of financial year applies to the Company and its subsidiaries. The rationale for the Change of Financial Year is to allow the Company to incorporate the financial effects arising from the timing of industry nature. It is believed that the extended financial period will be more reflective of the Company's operational performance.

On 9 January 2013, ETI Tech (M) Sdn Bhd ("ETMSB"), a wholly-owned subsidiary of ETICB, had defaulted in payment pursuant to PN1 of the Main LR, where the total amount outstanding is more than 5% of the consolidated net assets of the Company.

On 10 January 2013, the Board of Directors of ETICB informed that the Company is in PN1 status. The Management is in the midst of discussion with the bankers and corporate consultants respectively to restructure and reschedule the financial commitments. All efforts and immediate actions are being taken to resolve the current financial position of the Company.

On 10 January 2013, ETI Tech (M) Sdn Bhd ("ETMSB"), a wholly-owned subsidiary of ETICB, announced that there has been no material change or development to the Memorandum of Understanding ("MoU"), signed on 11 April, 2011 with Universiti Malaysia Sarawak ("UNIMAS") and Green Electric Sdn Bhd. ("GESB") to develop technical knowledge and technology transfer,

expertise and research co-operation and also to promote mutual understanding for the joint development and promotion of GenSet Hybrid System to the Ministry of Education ("MOE") for the rural schools in Sarawak.

On 14 January 2013, the Board of Directors of ETICB informed that the majority of its Directors are of the opinion that the Company is and will remain solvent, and will be able to pay its debts in full as and when they fall due, during the period of twelve months after the date of declaration. ETICB has provided Bursa Securities with the Declaration of Solvency.

On 18 January 2013, ETI Tech (M) Sdn Bhd ("ETMSB"), a wholly-owned subsidiary of ETICB, announced that there has been no material change or development to the Memorandum of Understanding ("MoU"), signed on 19 January, 2010 with Sirim Berhad to establish a partnership to develop the necessary testing technology and safety approval standards for the medium to high power lithium based battery for various industry applications eg, solar, electric vehicles and other applications in the domestic as well as international markets.

On 8 February 2013, the Board of Directors of ETICB informed that the management is still in negotiation with its bankers to re-schedule its repayment terms.

A11. Changes in the composition of the ETICB Group

There was no change in the composition of the ETICB Group during the current quarter under review.

A12. Contingent liabilities

As at the date of this report, the Group has no material contingent liabilities save for a corporate guarantee of RM40.46 million granted to financial institutions in respect of credit facilities extended to a subsidiary company.

A13. Material events subsequent to the end of the interim reporting period

Save as disclosed below and Note B6, there were no material events subsequent to the end of the current quarter under review:-

On 7 March 2013, ETI Tech (M) Sdn Bhd ("ETMSB"), a wholly-owned subsidiary of ETICB, announced that the Memorandum of Understanding ("MoU"), signed on 24 August, 2010 with Kokam Co. Ltd. ("Kokam") to set forth the basic principal upon which the definitive agreement(s) will be entered into by the ETI and Kokam for the collaboration of providing lithium battery pack to be applied in the Off-Grid Solar Energy Storage systems and related services has lapsed.

On 8 March 2013, the Board of Directors of ETICB informed that there were no significant developments on the Company's negotiation with the bankers to re-schedule its repayment terms.

On 11 March 2013, ETI Tech (M) Sdn Bhd ("ETMSB"), a wholly-owned subsidiary of ETICB, announced that the Memorandum of Understanding ("MoU"), signed on 24 August, 2010 with Kokam Co. Ltd. ("Kokam") has lapsed as both parties mutually agreed not to extend the validity period of the MOU due to the Off-Grid Solar Energy Storage systems and related services project has been delayed.

On 19 March 2013, the Board of Directors of ETICB informed that BDO Governance Advisory Sdn Bhd has been appointed on 18 March 2013 to assist the management and the Board of Directors of ETICB to review specific concerns of the board in relation to the procurement of raw materials totaling approximately RM16 million (unaudited) in the financial period ended 31 August 2012. The said review is expected to be completed within 10 weeks from the date of commencement of work by BDO Governance Advisory Sdn Bhd.

On 25 March 2013, ETI Tech (M) Sdn Bhd ("ETMSB"), a wholly-owned subsidiary of ETICB, had defaulted in payment to Maybank Islamic Berhad and Malayan Banking Berhad (collectively referred to as "Maybank") pursuant to PN1 of the Main LR, where the total amount outstanding is more than 5% of the consolidated net assets of the Company.

On 27 March 2013, the Board of Directors of ETICB informed that the Company is solvent pursuant to the Solvency Declaration duly executed by majority of Board of Directors.

On 8 April 2013, the Board of Directors of ETICB informed that there were no material developments on the Company's negotiation with the bankers to re-schedule its repayment terms

On 17 April 2013, the Board of Directors of ETICB informed that ETMSB and ETICB had been served with a Writ of Summon and Statement of Claim both dated 8 April 2013 issued by the Penang High Court in relation to a claim of RM 5,454,447.32 filed by Malayan Banking Berhad ("MBB") being the amount owing by ETMSB as at 31 March 2013. The Penang High Court had fixed the matter for case management on 2 May 2013

On 30 April 2013, the Board of Directors of ETICB informed that ETMSB and ETICB had been served with a Writ of Summon dated 16 April 2013 and Statement of Claim dated 15 April 2013 issued by the Penang High Court in relation to a claim of RM 5,496,047.54 filed by Maybank Islamic Berhad being the amount owing by ETMSB as at 31 March 2013. The Penang High Court had fixed the matter for case management on 9 May 2013

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD FOR THE MAIN MARKET**

B1. Review of performance

For the eighteen (18) months ended 28 February 2013, the Group registered revenue of RM72.37 million as compared to RM58.00 million in the preceding twelve (12) months year ended 31 August 2011. The increase in revenue by RM14.37 million was mainly contributed from the increase in sales on battery packs.

The Group registered a loss before taxation (“LBT”) for the period ended 28 February 2013 of approximately RM56.72 million as compared to profit before taxation (“PBT”) of RM4.05 million in the preceding twelve (12) months year ended 31 August 2011. The LBT in the period was mainly due to impairment losses on development expenditure, trade receivables and other receivables.

B2. Variation of results against preceding quarter

Compared to the preceding quarter, the Group’s revenue of approximately RM0.10 million (immediate preceding quarter : RM0.51 million) for the current quarter under review, recorded a decrease of approximately RM0.41 million or 80.4%. This was mainly due to delay in securing projects.

The Group recorded a LBT of approximately RM36.38 million (immediate preceding quarter : RM13.35 million) for the quarter under review, an increase in loss of approximately RM23.03 million or 172.5%. This was mainly due to the additional impairment loss on trade receivables and other receivables.

B3. Prospects for the period ending 28 February 2014

As the world’s demand for energy grows, along with concerns over depleting energy sources and global warming, the Group, which provides innovative energy storage solutions, foresees an increase in demand for its products.

The Group is currently experiencing a challenging time and is working on a restructuring plan to strengthen its position. The Board had setup a Steering Committee to make immediate decision into the Group’s proposed restructuring plan and is in continuous discussions with corporate consultants for the Group’s proposed restructuring plan.

With the successful implementation of the restructuring plan, the financial position of the Group is expected be significantly improved and the management will be able to fully concentrate on strengthening and growing the business.

Barring any unforeseen circumstances, the Group is confident of achieving better performance in the near future.

B4. Variance on forecast profit/profit guarantee

The Group is not subjected to any profit forecast or profit guarantee.

B5. Tax Income / (expense)

There is no income tax charge for the ETICB Group because:-

- i) The income of its wholly-owned subsidiary, ETMSB is exempted from tax due to its pioneer status granted by Multimedia Development Corporation Sdn Bhd (“MDC”). Under this incentive, 100% of ETMSB’s statutory income derived from the development and commercialisation of the Polymer Lithium Ion (“PLi”) battery series version 1, 2, 3, 4, 6, 8 and above, 14S EV battery packs, MCU based PCM’s, Green Genset, Mobile charger with added features and High Power Battery Bank are exempted from income tax for a period of five (5) years from 15 July 2008 to 14 July 2013.
- ii) The income of its wholly-owned subsidiary, Power Mac has been given approval in principal for pioneer status under Promotion of Investment Act, 1986 for ‘design, development and manufacture of polymer lithium-ion cells and battery packs. The company is currently in the process of applying the pioneer certificate.

B6. Status of corporate proposals

On 8 February 2012, on behalf of the Board of Directors of ETICB, OSK Investment Bank Berhad had announced that ETICB proposes to undertake a private placement of up to 68,077,200 new Ordinary Shares of RM0.10 each in ETICB, representing 10% of the issued and paid up capital of the Company (Proposed Private Placement). The Additional Listing Application in respect of the Private Placement was submitted to Bursa Securities on 9 February 2012.

The Bursa Securities had, vide its letter dated 22 February 2012, approved the listing of and quotation for up to 68,077,200 new ordinary shares of RM0.10 each in ETICB (excluding treasury shares) to be issued pursuant to the Proposed Private Placement.

On 21 March 2012, the first tranche of the Private Placement Shares, comprising 25,500,000 Ordinary Shares of RM0.10 each in ETICB, with an issue price of RM0.17 were listed on the Main Market of Bursa Securities.

On 7 August 2012, OSK had submitted an application to Bursa Malaysia Securities on behalf of the Board to seek for an extension of time of six (6) months from 22 August 2012 to 21 February 2013 for the Company to implement the Private Placement.

On 19 October 2012, Bursa Securities had, vide its letter dated 18 October 2012, resolved to grant ETI Tech and extension of time of six (6) months from 22 August 2012 until 21 February 2013 for the Company to implement the Private Placement.

The remaining 42,577,200 Private Placement Shares and the corresponding issue price will be announced when they are placed out in due course.

On 21 February 2013, the Board of Directors of ETICB informed that the extension of time granted by Bursa Securities to ETI Tech to complete the implementation of the Private Placement will lapse today. The Company has decided not to proceed with the Private Placement, and hence, the Company does not intend to seek any further extension of time for the implementation of the Private Placement.

B7. ETICB Group's borrowings and debt securities

The ETICB Group's borrowings at the end of the financial quarter are as follows:

	Payable within twelve (12) months RM'000	Payable after twelve (12) months RM'000
Secured		
Hire Purchase	729	1,953
Term loan	2,902	-
Trade facilities	8,836	-
Bank Overdraft	12,760	-
	<u>25,227</u>	<u>1,953</u>

There was no unsecured debt during the current quarter under review and financial period-to-date
The ETICB Group does not have any foreign borrowing or debt securities as at the date of this announcement.

B8. Breakdown of realised and unrealised profits or losses of the Group

	As at 28.02.2013 RM'000
Realised loss	(19,587)
Unrealised loss	(379)
Total retained loss	<u>(19,966)</u>

B9. Change in material litigation

On 18 April 2013, the Board of Directors of ETICB informed that ETMSB and ETICB had been served with a Writ of Summon and Statement of Claim both dated 8 April 2013 issued by the Penang High Court in relation to a claim of RM 5,454,447.32 filed by Malayan Banking Berhad ("MBB") being the amount owing by ETMSB as at 31 March 2013. The Penang High Court had fixed the matter for case management on 2 May 2013

On 30 April 2013, the Board of Directors of ETICB informed that ETMSB and ETICB had been served with a Writ of Summon dated 16 April 2013 and Statement of Claim dated 15 April 2013 issued by the Penang High Court in relation to a claim of RM 5,496,047.54 filed by Maybank Islamic Berhad being the amount owing by ETMSB as at 31 March 2013. The Penang High Court had fixed the matter for case management on 9 May 2013

B10. Dividend

No dividend was proposed and declared in the current quarter under review.

B11. Audit report of preceding annual financial statements

The preceding year's annual audited financial statements of the ETICB Group were not subject to any qualification.

B12. (Loss) / Earnings per share

	Current quarter 28.02.2013	Note 1	Current year to date 28.02.2013	12 months period ended 31.08.2011
Net (loss) / profit after tax (RM '000)	(36,379)	-	(56,316)	3,746
Weighted average number of ordinary shares in issue ('000)	706,272	-	706,272	680,772
Basic (loss) / earnings per share (sen)	(5.15)	-	(7.97)	0.55
Diluted (loss) / earnings per share (sen)	(5.15)	-	(7.97)	0.55

Basic earnings per share of the Group is calculated by dividing the profit for the financial period attributable to the owners of the company by weighted average number of ordinary shares (on the enlarged share capital after the private placement shares issued of 25,500,000 units on 21 March 2012) in issue during the financial year.

Note 1. There are no comparative figures for the preceding year individual and cumulative quarters as the company has changed its year end from 31 August to 28 February. The first set of financial statements with the new year end will be for the 18 months period ending 28 February 2013.

B13. (Loss) / Profit before Tax

The following items have been included in arriving at profit before tax:

	Current quarter 28.02.2013 RM'000	Note 1 RM'000	Current year to date 28.02.2013 RM'000	12 months period ended 31.08.2011 RM'000
After charging:-				
Interest expense	124	-	1,982	1,178
Amortisation & impairment loss of development expenditure	1,131	-	7,465	403
Depreciation	686	-	4,127	2,874
Loss on foreign exchange				
- realised	-	-	35	335
- unrealised	-	-	-	910
Impairment loss on receivables	33,683	-	49,204	-
After crediting:-				
Gain on foreign exchange				
- realised	-	-	1,048	136
- unrealised	-	-	132	399
Interest income	-	-	25	29

Save as disclosed above, the other items as required under Appendix 9B, Part A(16) of the Bursa Securities Main Market Listing Requirements are not applicable.

Note 1. There are no comparative figures for the preceding year individual and cumulative quarters as the company has changed its year end from 31 August to 28 February. The first set of financial statements with the new year end will be for the 18 months period ending 28 February 2013.