

FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

| | Individual quarter | | Cumulative quarter | |
|---|--------------------|--------------------|--------------------|--------------------|
| | 31/03/13 RM'000 | 31/03/12 RM'000 | 31/03/13 RM'000 | 31/03/12 RM'000 |
| Revenue | 35,876 | 32,821 | 35,876 | 32,821 |
| Cost of sales | (16,548) | (13,890) | (16,548) | (13,890) |
| Gross profit | 19,328 | 18,931 | 19,328 | 18,931 |
| Other income | 1,001 | 880 | 1,001 | 880 |
| Selling and distribution expenses | (6,601) | (7,155) | (6,601) | (7,155) |
| Administrative and general expenses | (11,244) | (9,716) | (11,244) | (9,716) |
| Interest expense | (295) | (204) | (295) | (204) |
| Interest income | 119 | 113 | 119 | 113 |
| Share of profits in associates | 70 | 33 | 70 | 33 |
| Profit before tax | 2,378 | 2,882 | 2,378 | 2,882 |
| Tax expense | (1,094) | (911) | (1,094) | (911) |
| Profit for the period | 1,284 | 1,971 | 1,284 | 1,971 |
| Profit attributable to: | | | | |
| Owners of the Parent | 1,287 | 1,968 | 1,287 | 1,968 |
| Non-controlling interests | (3) | 3 | (3) | 3 |
| | 1,284 | 1,971 | 1,284 | 1,971 |
| Total comprehensive income attributable to: | | | | |
| Owners of the Parent | 1,287 | 1,968 | 1,287 | 1,968 |
| Non-controlling interests | (3) | 3 | (3) | 3 |
| | 1,284 | 1,971 | 1,284 | 1,971 |
| Earnings per share attributable to owners of the Parent: | | | | |
| Basic (sen) | 0.78 | 1.19 | 0.78 | 1.19 |
| Diluted (sen) | N/A | N/A | N/A | N/A |

The Condensed consolidated statements of comprehensive income 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 report.

FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(The figures have not been audited)

| | Unaudited As at 31/03/13 RM'000 | Audited As at 31/12/12 RM'000 |
|--|--|--|
| <u>ASSETS</u> | | |
| Non-current assets | | |
| Property, plant and equipment | 31,125 | 30,534 |
| Investments in associates | 435 | 435 |
| Deferred tax assets | 294 | 283 |
| Trade and other receivables | 686 | 611 |
| | 32,540 | 31,863 |
| Current assets | | |
| Inventories | 30,847 | 32,152 |
| Trade and other receivables | 19,267 | 18,608 |
| Current tax assets | 176 | 172 |
| Cash and cash equivalents | 13,253 | 16,100 |
| | 63,543 | 67,032 |
| TOTAL ASSETS | 96,083 | 98,895 |
| <u>EQUITY AND LIABILITIES</u> | | |
| Equity attributable to owners of the Parent | | |
| Share capital | 33,000 | 33,000 |
| Reserves | 21,762 | 20,475 |
| | 54,762 | 53,475 |
| Non-controlling interests | 52 | 55 |
| TOTAL EQUITY | 54,814 | 53,530 |
| Non-current liabilities | | |
| Borrowings | 4,842 | 4,381 |
| Deferred income | 939 | 978 |
| Deferred tax liabilities | 1,203 | 1,203 |
| | 6,984 | 6,562 |
| Current liabilities | | |
| Borrowings | 14,927 | 16,936 |
| Trade and other payables | 17,929 | 20,430 |
| Deferred income | - | 479 |
| Current tax liabilities | 1,429 | 958 |
| | 34,285 | 38,803 |
| TOTAL LIABILITIES | 41,269 | 45,365 |
| TOTAL EQUITY AND LIABILITIES | 96,083 | 98,895 |
| Net assets per share attributable to owners of the Parent (sen) | 33.19 | 32.41 |

The Condensed consolidated statements 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 report.

FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(The figures have not been audited)

| | ← Attributable to owners of the Parent → | | | Total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
|--|--|----------------------------|---|-----------------|--|------------------------|
| | ← Non-distributable → | Share premium RM'000 | Distributable Retained earnings RM'000 | | | |
| | Share capital RM'000 | Share premium RM'000 | Retained earnings RM'000 | Total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
| At 1 January 2013 | 33,000 | 7,096 | 13,379 | 53,475 | 55 | 53,530 |
| Profit for the period | - | - | 1,287 | 1,287 | (3) | 1,284 |
| Other comprehensive income | - | - | - | - | - | - |
| Total comprehensive income | - | - | 1,287 | 1,287 | (3) | 1,284 |
| At 31 March 2013 | 33,000 | 7,096 | 14,666 | 54,762 | 52 | 54,814 |
| | ← Attributable to owners of the Parent → | | | | | |
| | ← Non-distributable → | | | | | |
| | Distributable | | | | | |
| | Share capital RM'000 | Share premium RM'000 | Retained earnings RM'000 | Total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
| At 1 January 2012 | 33,000 | 7,096 | 9,903 | 49,999 | (9) | 49,990 |
| - Effects of the adoption of MFRSs | - | - | 741 | 741 | - | 741 |
| Balance as at 1 January 2012, as restated | 33,000 | 7,096 | 10,644 | 50,740 | (9) | 50,731 |
| Profit for the period | - | - | 1,968 | 1,968 | 3 | 1,971 |
| Other comprehensive income | - | - | - | - | - | - |
| Total comprehensive income | - | - | 1,968 | 1,968 | 3 | 1,971 |
| Transactions with owners | | | | | | |
| Changes in equity interest in a subsidiary | - | - | - | - | 79 | 79 |
| Total transactions with owners | - | - | - | - | 79 | 79 |
| At 31 March 2012 | 33,000 | 7,096 | 12,612 | 52,708 | 73 | 52,781 |

The Condensed consolidated statements 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 report.

FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(The figures have not been audited)

| | For the 3 months ended 31 March 2013 | For the 3 months ended 31 March 2012 |
|---|---|---|
| | RM'000 | RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 2,378 | 2,882 |
| Adjustments for : | | |
| Depreciation | 1,439 | 968 |
| Other non-cash items | 293 | 166 |
| Operating profit before working capital changes | 4,110 | 4,016 |
| Changes in inventories | 1,198 | 246 |
| Changes in trade and other receivables | (734) | 42 |
| Changes in trade and other payables | (3,055) | (4,752) |
| Cash generated from operations | 1,519 | (448) |
| Tax refunded | 6 | - |
| Income taxes paid | (644) | (900) |
| Net cash generated from / (used in) operating activities | 881 | (1,348) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (906) | (670) |
| Proceeds from disposal of property, plant and equipment | - | 12 |
| Interest received | 77 | 54 |
| Increase in share capital in a subsidiary | - | 80 |
| Dividend received from an associate | 70 | 105 |
| Net cash used in investing activities | (759) | (419) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Interest paid | (295) | (204) |
| Placement of fixed deposits pledged to licensed banks | (225) | (167) |
| Net repayment of bankers' acceptances | (1,639) | (121) |
| Net repayment of hire purchase liabilities | (519) | (282) |
| Repayments of term loans | (65) | (137) |
| Net cash used in financing activities | (2,743) | (911) |
| Net decrease in cash and cash equivalents | (2,621) | (2,678) |
| Cash and cash equivalents at beginning of year | 4,299 | 7,488 |
| Cash and cash equivalents at end of year | 1,678 | 4,810 |

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (cont'd)

Cash and cash equivalents comprise :

| | For the 3 months ended 31 March 2013 | For the 3 months ended 31 March 2012 |
|---|---|---|
| | RM'000 | RM'000 (Restated) |
| Cash and bank balances | 4,363 | 4,809 |
| Fixed deposits with licensed banks | 8,890 | 6,660 |
| | <hr/> 13,253 | <hr/> 11,469 |
| Less : Bank overdraft included in borrowings | (3,135) | - |
| | <hr/> 10,118 | <hr/> 11,469 |
| Less : Fixed deposits pledged to licensed banks | (8,440) | (6,659) |
| | <hr/> 1,678 | <hr/> 4,810 |

The Condensed consolidated statements of cash flows 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 report.

Notes to the Interim Financial Report for the first quarter ended 31 March 2013

Part A - Explanatory notes pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 : Interim Financial Reporting

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 : *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (MASB) and Paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2012.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 December 2012, except for the adoption of the following standards applicable to the Group's financial year beginning 1 January 2013.

| | Effective date |
|---|----------------|
| Amendments to MFRS 101, <i>Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income</i> | 1 July 2012 |
| MFRS 3, <i>Business Combinations (2004)</i> | 1 January 2013 |
| MFRS 10, <i>Consolidated Financial Statements</i> | 1 January 2013 |
| MFRS 11, <i>Joint Arrangements</i> | 1 January 2013 |
| MFRS 12, <i>Disclosure of Interests in Other Entities</i> | 1 January 2013 |
| MFRS 13, <i>Fair Value Measurement</i> | 1 January 2013 |
| MFRS 119, <i>Employee Benefits (2011)</i> | 1 January 2013 |
| MFRS 127, <i>Consolidated and Separate Financial Statements</i> | 1 January 2013 |
| MFRS 127, <i>Separate Financial Statements (2011)</i> | 1 January 2013 |
| MFRS 128, <i>Investments in Associates and Joint Ventures (2011)</i> | 1 January 2013 |
| Amendments to MFRS 7, <i>Financial Instruments : Disclosures - Offsetting Financial Assets and Financial Liabilities</i> | 1 January 2013 |
| Amendments to MFRS 10, <i>Consolidated Financial Statements - Transition Guidance</i> | 1 January 2013 |
| Amendments to MFRS 11, <i>Joint Arrangements - Transition Guidance</i> | 1 January 2013 |
| Amendments to MFRS 12, <i>Disclosure of Interests in Other Entities - Transition Guidance</i> | 1 January 2013 |
| <i>Annual Improvements 2009-2011 Cycle</i> | 1 January 2013 |

The initial application of the aforesaid applicable standards, amendments or interpretations are not expected to have any material financial impact to the current financial year upon their initial adoption.

A2. Auditors' reports

The auditors' report on the audited financial statements of the Group for the financial year ended 31 December 2012 was not subject to any qualification.

A3. Seasonal or cyclical factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There was no unusual item because of its nature, size or incidence that has affected the assets, liabilities, equity, net income or cash flows of the Group during the current quarter.

A5. Material changes in estimates

There was no change in the estimates of amounts reported that have had a material effect in the current quarter.

A6. Changes in debts and equity securities

There were no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities, share buy-back, share cancellation, shares held as treasury shares and/or resale of treasury shares during the current quarter.

A7. Dividend paid

An interim single-tier tax exempt dividend of 1 sen (2012 : nil) per share in respect of the financial year ended 31 December 2012 was declared on 26 February 2013 and paid on 26 April 2013.

A8. Segmental reporting

The Group has three (3) reportable segments, as described below, which are the Group's strategic business units. The following summary described the operations of each of the reportable segment:

- **Optical related products** : Retailing of optical related products
- **Franchise management** : Franchise management relating to optical and optometrics products
- **Food and beverage** : Provision of food and beverage services

Other operating segment that does not constitute reportable segment mainly comprises investment holding, laser eye surgery treatment activities as well as retailing of hearing solutions and related accessories.

The segmental information for the financial period ended 31 March 2013 is as follows :-

| | Optical related products RM'000 | Franchise management RM'000 | Food and beverage RM'000 | Others RM'000 | Total RM'000 |
|-------------------------------|--|--|---|--------------------------|-------------------------|
| Revenue | | | | | |
| Total revenue | 32,281 | 1,113 | 2,200 | 1,376 | 36,970 |
| Inter-segment revenue | (75) | (19) | - | (1,000) | (1,094) |
| External revenue | <u>32,206</u> | <u>1,094</u> | <u>2,200</u> | <u>376</u> | <u>35,876</u> |
| Segment results | | | | | |
| Interest income | 113 | 3 | 1 | 2 | 119 |
| Interest expense | (233) | - | (50) | (12) | (295) |
| Share of profit of associates | 70 | - | - | - | 70 |
| Profit / (loss) before tax | <u>3,273</u> | <u>319</u> | <u>(1,113)</u> | <u>(101)</u> | <u>2,378</u> |
| Assets | | | | | |
| Segment assets | 79,865 | 1,369 | 11,083 | 2,861 | 95,178 |
| Investments in associates | 435 | - | - | - | 435 |
| Total assets | <u>80,300</u> | <u>1,369</u> | <u>11,083</u> | <u>2,861</u> | <u>95,613</u> |
| Liabilities | | | | | |
| Segment liabilities | 30,858 | 2,346 | 4,635 | 798 | 38,637 |
| Total liabilities | <u>30,858</u> | <u>2,346</u> | <u>4,635</u> | <u>798</u> | <u>38,637</u> |

A8. Segmental reporting (cont'd)

The segmental information for the financial year ended 31 March 2012 is as follows :

| | Optical related products RM'000 | Franchise management RM'000 | Food and beverage RM'000 | Others RM'000 | Total RM'000 |
|-----------------------------------|--|--|---|--------------------------|-------------------------|
| Revenue | | | | | |
| Total revenue | 31,493 | 1,095 | - | 284 | 32,872 |
| Inter-segment revenue | - | (51) | - | - | (51) |
| External revenue | 31,493 | 1,044 | - | 284 | 32,821 |
| Segment results | | | | | |
| Segment results | 2,734 | 340 | - | (134) | 2,940 |
| Interest income | 106 | 1 | - | 6 | 113 |
| Interest expense | (204) | - | - | - | (204) |
| Share of profit of associates | 33 | - | - | - | 33 |
| Profit / (loss) before tax | 2,669 | 341 | - | (128) | 2,882 |
| Assets | | | | | |
| Segment assets | 84,154 | 2,456 | - | 1,580 | 88,190 |
| Investments in associates | 400 | - | - | - | 400 |
| Total assets | 84,554 | 2,456 | - | 1,580 | 88,590 |
| Liabilities | | | | | |
| Segment liabilities | 32,809 | 2,001 | - | 345 | 35,155 |
| Total liabilities | 32,809 | 2,001 | - | 345 | 35,155 |

Geographical information

The Group operates only in Malaysia.

A9. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current quarter as the Group has not adopted a revaluation policy on its property, plant and equipment.

A10. Commitment
(a) Operating lease commitments

The Group entered into non-cancellable lease agreements for business premises, hence resulting in future rental commitment. The Group has aggregate future minimum lease commitment as at the end of the current quarter as follows :-

| | As at 31/03/2013 RM'000 | As at 31/12/12 RM'000 |
|---|--|--------------------------------------|
| Branches | | |
| Not later than one (1) year | 16,241 | 14,703 |
| Later than one (1) year and not later than five (5) years | 13,635 | 13,076 |
| Later than five (5) years | - | - |
| | <u>29,876</u> | <u>27,779</u> |
| Franchisees | | |
| Not later than one (1) year | 6,333 | 6,489 |
| Later than one (1) year and not later than five (5) years | 3,682 | 4,378 |
| | <u>10,015</u> | <u>10,867</u> |

The Group has back-to-back arrangements with its franchisees on the rented business premises whereby the Group enters into rental agreements with the respective landlords and thereafter sub-leases these business premises to its franchisees. The rental expense for these business premises are borne by its franchisees. Furthermore, it should be noted that in the event of any default in any rental payment by the Group's franchisees, the franchisees are bound and the Group's interests are protected by the terms and conditions stated in the respective franchise agreements.

(b) Capital commitment

| | As at 31/03/2013 RM'000 | As at 31/12/12 RM'000 |
|---|--|--------------------------------------|
| Capital expenditure in respect of purchase of property, plant and equipment | | |
| - Contracted but not provided for | 1,457 | 747 |
| | <u>1,457</u> | <u>747</u> |

This represents capital commitment mainly in respect of renovation and purchase of equipment for the food and beverage business.

A11. Subsequent event

There was no material event subsequent to the end of the current quarter up to the date of this report that has not been reflected in the interim financial report.

A12. Changes in composition of the Group

There was no change in composition of the Group in the current quarter.

A13. Changes in contingent liabilities and contingent assets

There was no contingent liability or contingent asset as at the end of the current quarter.

A14. Related party transactions

The Group entered into the following transactions with related parties during the current quarter:-

| | Individual quarter | | Cumulative quarter | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 31/03/2013 RM'000 | 31/03/2012 RM'000 | 31/03/2013 RM'000 | 31/03/2012 RM'000 |
| Associate : | | | | |
| Sales of eyewear and eye care products | 383 | 424 | 383 | 424 |
| Licensing fee | 35 | 31 | 35 | 31 |
| Company in which a Director of the Company has substantial financial interests : | | | | |
| Rental of premises | 60 | - | 60 | - |

The Directors of the Group are of the opinion that, other than than the transactions disclosed above which were established on a negotiated basis, all the transactions have been entered into in the normal course of business and have been established at arm's length under terms no more favourable than those transacted with third parties.

Notes to the interim financial report for the first quarter ended 31 March 2013

Part B - Explanatory notes pursuant to Paragraph 9.22 Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of performance

Group revenue was recorded at RM35.9 million, an increase of 9% compared with the corresponding quarter of RM32.8 million. Higher revenue was mainly attributed to:-

(i) contribution from the optical related products segment which saw an increase in revenue contribution per outlet as a result of continued promotions and brand building activities; and

(ii) contribution from the food and beverage segment which had started operation in September 2012.

Nevertheless, profit before tax was 17% lower at RM2.4 million compared with RM2.9 million of the corresponding quarter. The decline in profit before tax was due mainly to operating loss incurred by the food and beverage segment.

Consequently, lower profit after tax of was recorded at RM1.3 million compared with RM2.0 million of the corresponding quarter, representing a decrease of 35%.

Optical related products segment

The optical related products segment continued to dominate the Group's revenue with contribution of 90% to the Group revenue. On the back of continued promotions and brand building activities, higher revenue was attained at RM32.2 million, an increase of 2% compared with RM31.5 million of the corresponding quarter. The increase in revenue was attributed to increased contribution from owned outlets and franchisees' sales.

Profit before tax at RM3.3 million was 22% higher compared with RM2.7 million of the corresponding quarter. The improved profit before tax was attributed to higher revenue as well as reduction in selling and distribution expenses.

Franchise management segment

Revenue was RM1.1 million compared with RM1.0 million of the corresponding quarter, representing an increase of 10%. Generally, higher business volume of the franchisees was recorded, hence higher royalty income was recognised which had resulted in higher revenue. Nevertheless, profit before tax of RM0.32 million was 6% lower compared with RM0.34 million of the corresponding quarter due to higher management fee charged by the optical related products segment.

Food and beverage segment

The segment recorded revenue of RM2.2 million and operating loss of RM1.1million due mainly to high start-up expenses including staff cost as well as advertising and promotional expenses.

B2. Comparison with immediate preceding quarter's results

| | Current quarter RM'000 | Immediate preceding quarter RM'000 | Variance % |
|-------------------|---------------------------------------|---|-----------------------|
| Revenue | 35,876 | 33,171 | 8% |
| Profit before tax | 2,378 | 3,092 | -23% |

The Group's revenue increased by RM2.7 million or 8% due mainly to higher contribution from the optical related products segment which increased from by RM1.7 million as well as food and beverage segment which increased by RM0.9 million. However, profit before tax was RM0.7 million or 23% lower due to lesser contribution from the optical related products segment as a result of lesser purchase rebate.

B3. Prospect

The Board is optimistic on the outlook of the optical related products segment (and by that extension, the outlook of the franchise management segment) due to high private consumption that the Malaysian economy has experienced in 2012 and is expected to continue in 2013. In the 2012 annual report of Bank Negara Malaysia, private consumption is projected to grow at a moderate rate in the 2nd half of 2013, supported by sustained income growth and healthy labour market conditions. Unemployment rate is projected to remain low at 3.1% of the labour force in 2013. Based on the forecast GDP growth in 2013 of between 4.5% and 5.5% by the Ministry of Finance in the Economic Report 2012/2013, which translates into gross national income (GNI) per capita growth from RM30,956 to RM32,947. In purchasing power parity terms, per capital income will grow from USD15,676 to USD16,368.

In view of further economic growth in the country, the Group will continue to stay focus on its optical related products business. The management intends to achieve this goal by opening more optical outlets in various cities in Malaysia in the near term while consolidating non-performing outlets. In addition to that, the Group intends to continue its aggressive promotion and marketing campaigns to increase the Group's presence in several untapped markets identified by the marketing team as well as to increase the market share of the Group in the optical industry.

The Group is also looking to make further inroads into the food & beverage ("F&B") business with a view to enhance the Group's earnings and shareholders' value. The F&B business is expected to be bolstered by the opening of at least 5 new restaurant/café/bakery outlets in the current financial year with a view to enhance the Group's revenue stream and profitability in a longer term.

B4. Profit forecast or profit guarantee

This is not applicable to the Group.

B5. Profit before tax

Profit before tax for the quarter is arrived at after charging:-

| | Individual quarter | | Cumulative quarter | |
|--|--------------------|--------------------|--------------------|--------------------|
| | 31/03/13 RM'000 | 31/03/12 RM'000 | 31/03/13 RM'000 | 31/03/12 RM'000 |
| Depreciation | 1,439 | 968 | 1,439 | 968 |
| Bad debts written off | - | - | - | - |
| Impairment loss on trade and other receivables | - | 82 | - | 82 |
| Inventories written off | - | - | - | - |
| Provision for inventories | - | - | - | - |
| Gain on disposal of held-to-maturity investment | - | - | - | - |
| Loss/(Gain) on disposal of property, plant and equipment | - | 1 | - | 1 |
| Impairment loss on property, plant and equipment | - | 4 | - | 4 |
| Realised foreign exchange (gain)/loss | 36 | 9 | 36 | 9 |
| (Gain) / Loss on derivatives | - | - | - | - |
| Exceptional items | - | - | - | - |

B6. Income tax expense

| | Individual quarter | | Cumulative quarter | |
|----------------------|--------------------|--------------------|--------------------|--------------------|
| | 31/03/13 RM'000 | 31/03/12 RM'000 | 31/03/13 RM'000 | 31/03/12 RM'000 |
| Current tax: | | | | |
| Current | 1,105 | 911 | 1,105 | 911 |
| Deferred tax: | | | | |
| Current | (11) | - | (11) | - |
| Total | 1,094 | 911 | 1,094 | 911 |

The current effective tax rates were higher than statutory tax rates due mainly to certain capital expenditure not qualified for capital allowance, certain expenses non deductible for tax purpose and no group relief was applied for loss-making companies.

B7. Status of corporate proposals

There was no corporate proposal announced but not completed as at the date of this report.

B8. Borrowings

| | As at 31/03/13 RM'000 | As at 31/12/2012 RM'000 |
|------------------------------|-----------------------------|-------------------------------|
| Short term borrowings | | |
| Secured: | | |
| Banker acceptances | 9,713 | 11,352 |
| Bank overdraft | 3,135 | 3,586 |
| Term loans | 387 | 486 |
| Hire purchase liabilities | 1,692 | 1,512 |
| | 14,927 | 16,936 |
| Long term borrowings | | |
| Secured: | | |
| Term loans | 1,465 | 1,431 |
| Hire purchase liabilities | 3,377 | 2,950 |
| | 4,842 | 4,381 |
| Total borrowings | 19,769 | 21,317 |

The above borrowings were denominated in Ringgit Malaysia.

B9. Material litigation

There was no material litigation (including any pending material litigation) as at the date of this report.

B10. Dividend

No dividend was declared in the current quarter.

B11. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to owners of the Parent by the weighted average number of ordinary shares in issue during the period.

| | Individual quarter | | Cumulative quarter | |
|--|--------------------|----------|--------------------|----------|
| | 31/03/13 | 31/03/12 | 31/03/13 | 31/03/12 |
| Profit attributable to owners of the Parent (RM'000) | 1,287 | 1,968 | 1,287 | 1,968 |
| Weighted average number of ordinary shares in issue ('000) | 165,000 | 165,000 | 165,000 | 165,000 |
| Basic earnings per share (sen) | 0.78 | 1.19 | 0.78 | 1.19 |

B12. Disclosure of realised and unrealised profits

The breakdown of the retained profits of the Group as at 31 March 2013, into realised and unrealised profits/losses is as follows:-

| | As at 31/03/13 RM'000 | As at 31/12/12 RM'000 |
|---|--------------------------------------|--------------------------------------|
| Total retained profits of the Group : | | |
| - Realised | 34,082 | 32,689 |
| - Unrealised | (909) | (920) |
| | 33,173 | 31,769 |
| Total share of retained profits from associates : | | |
| - Realised | 75 | 161 |
| - Unrealised | (5) | (5) |
| | 70 | 156 |
| Total | 33,243 | 31,925 |
| Less : Consolidation adjustments | (18,577) | (18,546) |
| Total retained profits of the Group | 14,666 | 13,379 |

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

The disclosure of realised and unrealised profits/losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

B13. Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors ("Board") in accordance with a resolution of the Board of Directors on 16 May 2013.