

**Unaudited financial results of MClean and its subsidiaries (the “Group”) for period ended 31 December 2013.**

Explanatory notes to the quarterly report and for the financial period ended 31 December 2013

**1. Basis of preparation**

The Condensed Interim Financial Statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) No 134: Interim Financial Reporting and Paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad. This Interim Financial Statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012. The explanatory notes attached to these 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 2012.

**2. Significant Accounting Policies**

Significant accounting policies and methods of computation adopted for the condensed interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2012 except for the adoption of the new/ revised MFRS mentioned below.

**2.1 Adoption of MFRS, Amendments to MFRS and IC Interpretation**

On 1 January 2013, the Group adopted the following new and amended MFRSs and IC Interpretation which are mandatory for annual financial periods beginning on or after 1 January 2013:

MFRS 10: Consolidated Financial Statements

MFRS 11: Joint Arrangements

MFRS 12: Disclosure of Interest in Other Entities

MFRS 13: Fair Value Measurement

MFRS 119 Employee Benefits (IAS 19 as amended by IASB in June 2011)

MFRS 127: Separate Financial Statements (IAS 27 as amended by IASB in May 2011)

MFRS 128: Investment in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)

Amendment to MFRS 1: First-time adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 7: Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 10: Consolidated Financial Statements: Transition Guidance

Amendments to MFRS 11: Joint Arrangement: Transition Guidance

Amendments to MFRS 12: Disclosure of Interest in Other Entities: Transition Guidance

Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 116: Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 132: Financial Instruments: Presentations (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 134: Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)

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

The adoption of the above standards and amendments are not expected to have any impact on the financial statements of the Group.

### **Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income**

The amendments to MFRS 101 Presentation of Items of Other Comprehensive Income changes the grouping of items presented in other comprehensive income. Items that could be reclassified to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations) are presented separately from items which will never be reclassified to profit or loss (for example, actuarial gains and losses on defined benefit plans).

The adoption of Amendments MFRS 101 has no financial impact on the Group’s financial statements.

### **2.2 MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective**

The following MFRSs, Amendments to MFRSs and IC Interpretation issued by the MASB are relevant to the Group, however, they have not been early adopted in this set of financial statements.

#### **Amendments effective for annual periods beginning on or after 1 January 2014**

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: Investment Entities

Amendments to MFRS 132: Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

#### **MFRS and Amendments effective for annual periods beginning on or after 1 January 2015**

MFRS 9: Financial Instruments (IFRS 9 issued by IASB in November 2009)

MFRS 9: Financial Instruments (IFRS 9 issued by IASB in October 2010)

The Directors anticipate that the adoption of above new/revised MFRS, amendments to MFRS and IC Interpretations will have no material impact on the financial statements of the Group in the period of initial application.

### **3. Audit Report of the Preceding Audited Financial Statements**

The auditors have expressed an unqualified opinion on the Company’s statutory consolidated financial statements for the financial year ended 31 December 2012 in their report dated 26 April 2013.

### **4. Seasonal or Cyclical Factors**

Our Group’s revenue is not significantly affected by the seasonal or cyclical factors for the quarter under review.

### **5. Unusual Items**

Except as disclosed, there was no item which is unusual because of its nature, size, or incidence that has affected the assets, liabilities, equity, net income or cash flow of the Group for the current financial quarter under review.

### **6. Material Changes in Estimates**

The were no changes in estimate of amounts reported that has a material impact in the current financial quarter under review.

**7. Changes in Debts and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs and share cancellation, for the current financial quarter under review.

**8. Dividend Paid**

There were no dividends paid during the quarter under review.

**9. Segmental Reporting**

The segmental result of the Group for the current and previous financial year-to-date under review is set out below:

| <b>Geographical information</b>  |                        |                        |
|--|------------------------|------------------------|
| Revenue information based on the geographical location of customers are as follows:- |                        |                        |
| <b>Location</b>  | <b>12 Months Ended</b> | <b>12 Months Ended</b> |
|  | <b>31.12.2013</b>      | <b>31.12.2012</b>      |
|  | <b>RM'000</b>          | <b>RM'000</b>          |
| People's Republic of China- Discontinued   | 5,888                  | 3,307                  |
| People's Republic of China   | 10,377                 | 11,700                 |
| Malaysia   | 5,473                  | 4,417                  |
| Singapore  | 27,927                 | 24,188                 |
| Others   | 3,600                  | 3,107                  |
| Inter segment  | (8,234)                | (8,329)                |
|  | <b>45,031</b>          | <b>38,390</b>          |

| <b>Current quarter ended<br/>31.12.2013</b> | <b>Discontinued</b>                       | <b>Continued</b>                           |                               | <b>Elimination</b> | <b>Total</b>   |
|---|---|--|-------------------------------|--------------------|----------------|
|   | <b>Plastic<br/>Injection<br/>Moulding</b> | <b>Technical<br/>Assembly<br/>Services</b> | <b>Precision<br/>Cleaning</b> |                    |                |
|   | <b>RM'000</b>                             | <b>RM'000</b>                              | <b>RM'000</b>                 | <b>RM'000</b>      | <b>RM'000</b>  |
| <b>Revenue:-</b>                            |   |  |                               |                    |                |
| External customers                          | 2,079                                     | 1,353                                      | 8,225                         | -                  | 11,657         |
| Inter segment                               |   | -  | 2,222                         | (2,222)            | -              |
| <b>Total revenue</b>                        | <b>2,079</b>                              | <b>1,353</b>                               | <b>10,447</b>                 | <b>(2,222)</b>     | <b>11,657</b>  |
| <b>Results:-</b>                            |   |  |                               |                    |                |
| Segment results                             | 183                                       | 339  | 1,036                         | -                  | 1,558          |
| Unallocated amounts:                        |   |  |                               |                    |                |
| Other income                                |   |  |                               |                    | 89             |
| Other corporate expenses                    |   |  |                               |                    | (3,219)        |
| Loss before tax                             |   |  |                               |                    | <b>(1,572)</b> |

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|   | <u>Discontinued</u>               | <u>Continued</u>                   |                           |                    |               |
|---|-----------------------------------|------------------------------------|---------------------------|--------------------|---------------|
| <b>Current quarter ended 31.12.2012</b> | <b>Plastic Injection Moulding</b> | <b>Technical Assembly Services</b> | <b>Precision Cleaning</b> | <b>Elimination</b> | <b>Total</b>  |
|   | <b>RM'000</b>                     | <b>RM'000</b>                      | <b>RM'000</b>             | <b>RM'000</b>      | <b>RM'000</b> |
| <b>Revenue:-</b>                        |                                   |                                    |                           |                    |               |
| External customers                      | 912                               | 1,071                              | 8,037                     | -                  | 10,020        |
| Inter segment                           | -                                 | -                                  | 2,137                     | (2,137)            | -             |
| <b>Total revenue</b>                    | <b>912</b>                        | <b>1,071</b>                       | <b>10,174</b>             | <b>(2,137)</b>     | <b>10,020</b> |
| <b>Results:-</b>                        |                                   |                                    |                           |                    |               |
| Segment results                         | (56)                              | (36)                               | 1,575                     | -                  | 1,483         |
| Unallocated amounts:                    |                                   |                                    |                           |                    |               |
| Other income                            |                                   |                                    |                           |                    | 50            |
| Other corporate expenses                |                                   |                                    |                           |                    | (2,498)       |
| Loss before tax                         |                                   |                                    |                           |                    | <b>(965)</b>  |

|  | <u>Discontinued</u>               | <u>Continued</u>                   |                           |                    |                |
|--|-----------------------------------|------------------------------------|---------------------------|--------------------|----------------|
| <b>Cumulative quarter ended 31.12.2013</b> | <b>Plastic Injection Moulding</b> | <b>Technical Assembly Services</b> | <b>Precision Cleaning</b> | <b>Elimination</b> | <b>Total</b>   |
|  | <b>RM'000</b>                     | <b>RM'000</b>                      | <b>RM'000</b>             | <b>RM'000</b>      | <b>RM'000</b>  |
| <b>Revenue:-</b>                           |                                   |                                    |                           |                    |                |
| External customers                         | 5,888                             | 5,973                              | 33,170                    | -                  | 45,031         |
| Inter segment                              | -                                 | -                                  | 8,234                     | (8,234)            | -              |
| <b>Total revenue</b>                       | <b>5,888</b>                      | <b>5,973</b>                       | <b>41,404</b>             | <b>(8,234)</b>     | <b>45,031</b>  |
| <b>Results:-</b>                           |                                   |                                    |                           |                    |                |
| Segment results                            | 676                               | 925                                | 5,840                     | -                  | 7,441          |
| Unallocated amounts:                       |                                   |                                    |                           |                    |                |
| Other income                               |                                   |                                    |                           |                    | 340            |
| Other corporate expenses                   |                                   |                                    |                           |                    | (10,545)       |
| Loss before tax                            |                                   |                                    |                           |                    | <b>(2,764)</b> |

|  | <u>Discontinued</u>               | <u>Continued</u>                   |                           |                    |                |
|--|-----------------------------------|------------------------------------|---------------------------|--------------------|----------------|
| <b>Cumulative quarter ended 31.12.2012</b> | <b>Plastic Injection Moulding</b> | <b>Technical Assembly Services</b> | <b>Precision Cleaning</b> | <b>Elimination</b> | <b>Total</b>   |
|  | <b>RM'000</b>                     | <b>RM'000</b>                      | <b>RM'000</b>             | <b>RM'000</b>      | <b>RM'000</b>  |
| <b>Revenue:-</b>                           |                                   |                                    |                           |                    |                |
| External customers                         | 3,307                             | 1,071                              | 34,012                    | -                  | 38,390         |
| Inter segment                              | -                                 | -                                  | 8,329                     | (8,329)            | -              |
| <b>Total revenue</b>                       | <b>3,307</b>                      | <b>1,071</b>                       | <b>42,341</b>             | <b>(8,329)</b>     | <b>38,390</b>  |
| <b>Results:-</b>                           |                                   |                                    |                           |                    |                |
| Segment results                            | (192)                             | (36)                               | 7,510                     | -                  | 7,282          |
| Unallocated amounts:                       |                                   |                                    |                           |                    |                |
| Other income                               |                                   |                                    |                           |                    | 440            |
| Other corporate expenses                   |                                   |                                    |                           |                    | (10,208)       |
| Loss before tax                            |                                   |                                    |                           |                    | <b>(2,486)</b> |

It was not practicable to separate out the segment assets and liabilities for its business segments as the assets and liabilities were jointly used by all business segments.

**10. Valuation of Property, Plant and Equipment**

The Group does not own any properties or real estate. As at 31 December 2013, all the Group’s plant and equipment were stated at cost less accumulated depreciation.

**11. Material Events Subsequent to the End of the Current Financial Quarter**

The Group sold off its Injection moulding business as at 31 December 2013 as disclosure in note 13. Except for the foregoing, there were no other material events subsequent to the end of the reporting quarter that have not been reflected in the quarter under review.

**12. Changes in the Composition of the Group**

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

**13. Discontinued operation**

|  | <b>Current<br/>Quarter</b> | <b>Preceding<br/>Corresponding<br/>Quarter</b> | <b>Cumulative<br/>Quarter<br/>ended</b> | <b>Cumulative<br/>Quarter<br/>ended</b> |
|--|----------------------------|--|---|---|
|  | <b>31.12.2013</b>          | <b>31.12.2012</b>                              | <b>31.12.2013</b>                       | <b>31.12.2012</b>                       |
|  | <b>RM’000</b>              | <b>RM’000</b>                                  | <b>RM’000</b>                           | <b>RM’000</b>                           |
| Revenue and other income                               | 2,079                      | 912  | 5,888                                   | 3,307                                   |
| Expenses   | (1,896)                    | (968)  | (5,212)                                 | (3,499)                                 |
| Profit/ (Loss) from operations                         | 183                        | (56)   | 676                                     | (192)                                   |
| Loss on disposal of business                           | (325)                      | -  | (325)                                   | -                                       |
| Profit/ (Loss) before tax from discontinued operations | (142)                      | (56)   | 351                                     | (192)                                   |
| Taxation   | -                          | -  | -                                       | -                                       |
| Profit/ (Loss) from discontinued operations            | <b>(142)</b>               | <b>(56)</b>                                    | <b>351</b>                              | <b>(192)</b>                            |

**14. Contingent Liabilities and Contingent Assets**

**(a) Contingent liabilities**

There were no contingent liabilities as at the end of current financial quarter.

**(b) Contingent assets**

There were no contingent assets as at the end of current financial quarter.

**15. Capital Commitment**

There was no capital commitment as at the end of the current financial quarter.

**16. Review of Performance**

**Comparison between Current Financial Quarter / Year-to-date Ended 31 December 2013 and Previous Corresponding Quarter / Year-to-date Ended 31 December 2012**

A summary of the Group’s performance is set out below:-

|                     | 3 Months Ended                           |                             |                    |         |  |                             |                    |        |
|---------------------|--|-----------------------------|--------------------|---------|--|-----------------------------|--------------------|--------|
|                     | 31.12.2013                               |                             |                    |         | 31.12.2012                               |                             |                    |        |
|                     | Plastic Injection Moulding: Discontinued | Technical Assembly Services | Precision Cleaning | Total   | Plastic Injection Moulding: Discontinued | Technical Assembly Services | Precision Cleaning | Total  |
|                     | RM’000                                   | RM’000                      | RM’000             | RM’000  | RM’000                                   | RM’000                      | RM’000             | RM’000 |
| Revenue             | 2,079                                    | 1,353                       | 8,225              | 11,657  | 912                                      | 1,071                       | 8,037              | 10,020 |
| Gross profit/(loss) | 183                                      | 339                         | 1,036              | 1,558   | (56)                                     | (36)                        | 1,575              | 1,483  |
| Loss before tax     |  |                             |                    | (1,572) | -  |                             |                    | (965)  |

Technical Assembly Services Division

The gross loss in the previous year corresponding quarter was due to startup costs.

Precision Cleaning Division

Revenue from precision cleaning for the current quarter was about the same as the preceding year corresponding quarter. Gross profit margin decline from 19% to 13% due to different product mix. In the current quarter there were more Cassette washings and lesser Component washings as compared with the previous quarter. Cassette washing has a lower margin than Component washing.

Overall, the Group reported a loss before tax of RM 1.6 million as compared with a loss before tax of RM 1 million in the previous year corresponding quarter.

**Comparison between Current Period-to-date Ended 31 December 2013 and Previous Corresponding Period-to-date Ended 31 December 2012**

|                     | 12 Months Ended                          |                             |                    |         |  |                             |                    |         |
|---------------------|--|-----------------------------|--------------------|---------|--|-----------------------------|--------------------|---------|
|                     | 31.12.2013                               |                             |                    |         | 31.12.2012                               |                             |                    |         |
|                     | Plastic Injection Moulding: Discontinued | Technical Assembly Services | Precision Cleaning | Total   | Plastic Injection Moulding: Discontinued | Technical Assembly Services | Precision Cleaning | Total   |
|                     | RM’000                                   | RM’000                      | RM’000             | RM’000  | RM’000                                   | RM’000                      | RM’000             | RM’000  |
| Revenue             | 5,888                                    | 5,973                       | 33,170             | 45,031  | 3,307                                    | 1,071                       | 34,012             | 38,390  |
| Gross profit/(loss) | 676                                      | 925                         | 5,840              | 7,441   | (192)                                    | (36)                        | 7,510              | 7,282   |
| Loss before tax     |  |                             |                    | (2,764) |  |                             |                    | (2,486) |

Technical Assembly Services Division

As Technical assembly services only commenced in the last quarter of year 2012, the revenue of RM1.07 million in 2012 was significantly lower than the full year revenue of RM 5.9 million in 2013.

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Pursuant to the Company’s circular to shareholders dated 4 June 2013, the technical assembly services business is deemed as a related party transaction provided to JCS Technologies Pte. Ltd. for a sum of up to RM7 million, of which the Company had obtained shareholders’ approval at the Company’s Third (3<sup>rd</sup>) Annual General Meeting held on 28 June 2013 to the date of the Fourth (4<sup>th</sup>) AGM to be held in June 2014. As at 31 December 2013, the Company had transacted RM3.2 million.

Precision Cleaning Division

Revenue from precision cleaning was approximately 3% lower than preceding year corresponding period.

The gross profit margin for the precision cleaning division decreases from approximately 22% to 18%, due primarily to the following:-

- a) increase fixed overhead costs such as rent , depreciation and amortization charges totaling RM 329,000
- b) net increase in direct labour cost component of approximately RM 520,000

Overall, the Group reported a loss before tax of RM 2.8 million as compared with a loss before tax of RM2.5 million in the previous year .

**17. Material Changes in the Quarterly Results as Compared with the Immediate Preceding Quarter**

|                     | 3 Months Ended                           |                             |                    |         |  |                             |                    |        |
|---------------------|--|-----------------------------|--------------------|---------|--|-----------------------------|--------------------|--------|
|                     | 31.12.2013                               |                             |                    |         | 30.09.2013                               |                             |                    |        |
|                     | Plastic Injection Moulding: Discontinued | Technical Assembly Services | Precision Cleaning | Total   | Plastic Injection Moulding: Discontinued | Technical Assembly Services | Precision Cleaning | Total  |
| RM’000              | RM’000                                   | RM’000                      | RM’000             | RM’000  | RM’000                                   | RM’000                      | RM’000             | RM’000 |
| Revenue             | 2,079                                    | 1,353                       | 8,225              | 11,657  | 1,779                                    | 1,889                       | 9,524              | 13,192 |
| Gross profit/(loss) | 183                                      | 339                         | 1,036              | 1,558   | 361                                      | 240                         | 2,485              | 3,086  |
| Loss before tax     |  |                             |                    | (1,572) |  |                             |                    | 626    |

Technical Assembly Services Division

Revenue from Technical Assembly Services was 28% lower than the immediate preceding quarter as there were less completed modules delivered.

Precision Cleaning Division

The Group’s revenue from Precision Cleaning has decreased by 14% in the current financial quarter as compared to the immediate preceding quarter.

The GP margin for the precision cleaning division decreased from approximately 26% to 13% mainly due to a decrease in the higher margin Cleanroom Assembly sales in the current quarter as compare with the immediate preceding quarter.

The Group also made a provision for doubtful debts of RM 266,000 in the current quarter.

Taking into account the abovementioned, the Group register a loss before tax of RM1.6 million as compared to a profit before tax of RM 626,000 in the immediate preceding quarter.

Statement of financial position

As at the year ended 31 December 2013, the Group disposed its Injection moulding business. Nett amount of RM 3.2 million is due from the Purchaser, Impax Technology Wuxi Co., Ltd over 29 equal monthly instalments.

**18. Future Prospects**

At the beginning of this year the Group has started volume shipment of clean bulk packaging to a contract manufacturer. We expect sales and revenue growth from the precision cleaning segment to offset the loss of revenues from the divestment of our plastic injection business, completed on 31st December 2013. We are presently in discussions with other contract manufacturers to supply clean bulk packaging services and we expect to secure more contracts for this business in 2014. This would contribute positively to the future consolidated earnings and financial position of the Group.

**19. Variance of Profit Forecast and Shortfall in Profit Guarantee**

The Group has not issued any profit forecast or profit guarantee for the current financial quarter .

**20. Tax Expense**

The tax expense for the financial quarter and the year-to-date ended 31 December 2013 is as follows:

|  | <b>Current Quarter<br/>Ended<br/>31.12.2013</b> | <b>Current Financial<br/>Year-to-date Ended<br/>31.12.2013</b> |
|--|---|--|
|  | <b>RM'000</b>                                   | <b>RM'000</b>  |
| Under provision of tax in prior year               | -   | 7  |
| Deferred tax                                       | (658)   | (658)  |
| Productivity & innovation credit (PIC) cash payout | (152)   | (152)  |
|  | <u>(810)</u>                                    | <u>(803)</u>   |

**21. Status of Corporate Proposals**

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



**22. Group Borrowings and Debt Securities**

The Group’s borrowings as at 31 December 2013 presented as follows:-

|                       | <b>RM’000</b> |
|-----------------------|---------------|
| Long Term Borrowings  |               |
| Unsecured:-           |               |
| Term loan             | 1,233         |
| Short Term Borrowings |               |
| Unsecured:-           |               |
| Term loan             | 910           |

The total borrowings denominated in foreign and local currency as at 31 December 2013 are: -

|   | <b>RM’000</b> |
|---|---------------|
| Foreign currency – SGD 824,926 @ RM2.5973/SGD | 2,143         |

**23. Realised and Unrealised Retained Profits**

|                                      | <b>Cumulative year<br/>to date ended<br/>31/12/2013<br/>RM’000</b> | <b>Cumulative year<br/>to date ended<br/>31/12/2012<br/>RM’000</b> |
|--------------------------------------|--|--|
| Total retained profits of the Group: |  |  |
| - Realised                           | 2,106  | 5,014  |
| - Unrealised                         | 93   | (854)  |
|                                      | <hr/> 2,199  | <hr/> 4,160  |
| Consolidated adjustments             | 1,780  | 1,780  |
|                                      | <hr/> <b>3,979</b>   | <hr/> <b>5,940</b>   |
| Total Group retained profits         |  |  |

**24. Off Balance Sheet Financial Instruments**

As at 31 December 2013, the Group is a party to a foreign currency forward contracts totaling USD200,000 at a rate between 1.2725. Had the contract been settled at the financial position date, the effect on the exchange exposure is an increase in the profit of RM 3,895.

**25. Material Litigation**

There was no pending material litigation from 1 January 2013 up to the date of this quarterly announcement.

**26. Dividend Payable**

There was no dividend payable or proposed during the current quarter ended 31 December 2013.

**27. Loss Per Share**

**Basic**

The calculation of the basic LPS/EPS is based on the net profit divided by the weighted average number of ordinary shares of RM0.25 each in issue.

|  | 4th Quarter Ended |            | Cumulative Quarter Ended |            |
|--|-------------------|------------|--------------------------|------------|
|  | 31.12.2013        | 31.12.2012 | 31.12.2013               | 31.12.2012 |
| Net Loss for the period attributable to owners of the parent (RM'000)                                    | (762)             | (869)      | (1,961)                  | (2,400)    |
| (Loss)/ Profit from discontinued operations for the period attributable to owners of the parent (RM'000) | (142)             | (56)       | 351                      | (192)      |
| Loss from continuing operations for the period attributable to owners of the parent (RM'000)             | (620)             | (813)      | (2,312)                  | (2,208)    |
| Weighted average number of ordinary shares in issue ('000)   | 117,400           | 117,400    | 117,400                  | 117,400    |
| Basic LPS (sen)  | (0.65)            | (0.74)     | (1.67)                   | (2.04)     |
| Basic-discontinued (sen)   | (0.12)            | (0.05)     | 0.30                     | (0.16)     |
| Basi-continuing operations (sen)   | (0.53)            | (0.69)     | (1.97)                   | (1.88)     |

**Diluted**

The calculation of the diluted EPS is based on the net profit divided by the weighted average number of ordinary shares after adjustments for the effects of all dilutive potential ordinary shares of RM0.25 each arising from the exercise of 58,700,000 Warrants-in-issue .

|  | 4th Quarter Ended             |                               | Cumulative Quarter Ended      |                               |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|  | 31.12.2013                    | 31.12.2012                    | 31.12.2013                    | 31.12.2012                    |
| Weighted average number of ordinary shares in issue ('000) | 176,100                       | 176,100                       | 176,100                       | 176,100                       |
| Diluted EPS (sen)  | Not applicable <sup>(1)</sup> | Not applicable <sup>(1)</sup> | Not applicable <sup>(1)</sup> | Not applicable <sup>(1)</sup> |

(1) Not applicable as, due to the losses, there is an anti-dilutive effect from the assumed exercise of the Warrants-in-issue.

**28. Notes to the Condensed Consolidated Statement to Comprehensive Income**

Loss before tax is arrived at after charging/ (crediting) the following items:-

|  | Current<br>Quarter Ended<br>31 December<br>2013<br>RM'000 | Year-to-date<br>Ended 31<br>December 2013<br>RM'000 |
|--|---|---|
| (a) Interest income                          | (3)   | (8)   |
| (b) Other income including investment income | (43)  | (143)   |
| (c) Interest expenses                        | 18  | 44  |

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|   |      |       |
|---|------|-------|
| (d) Depreciation and amortization (continuing operations)                       | 976  | 3,163 |
| Depreciation and amortization (discontinued operations)                         | 2    | 199   |
| (e) Provision for and write off of receivables                                  | 266  | 266   |
| (f) Provision for and write off of inventories                                  | -    | -     |
| (g) Gain or loss on disposal of quoted and unquoted<br>investment or properties | -    | -     |
| (h) Impairment of assets  | -    | -     |
| (i) Foreign exchange gain   | (45) | (200) |
| (j) Gain or loss on derivatives   | -    | -     |
| (k) Plant, property & equipment written off                                     | -    | 11    |