

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/10/13 RM'000	PRECEDING YEAR QUARTER 31/10/12 RM'000	CURRENT FINANCIAL YEAR 31/10/13 RM'000	PRECEDING FINANCIAL YEAR 31/10/12 RM'000
<b>Continuing Operations</b>				
Revenue	1,955	4,076	10,319	13,493
Cost of sales	(1,848)	(3,231)	(8,576)	(11,136)
Gross profit	107	845	1,743	2,357
Other income (N1)	550	264	1,178	3,157
Operating expenses (N2)	(2,410)	(3,081)	(4,406)	(468)
Finance cost	(4,071)	(2,311)	(9,391)	(7,432)
Share of results of associates	(1,234)	(2,899)	19	(6,790)
<b>Loss before tax</b>	<b>(7,058)</b>	<b>(7,182)</b>	<b>(10,857)</b>	<b>(9,176)</b>
Taxation	(7)	(223)	(447)	(795)
<b>Loss for the period</b>	<b>(7,065)</b>	<b>(7,405)</b>	<b>(11,304)</b>	<b>(9,971)</b>
Share of other comprehensive income	2,921	1,458	1,506	1,921
<b>Total comprehensive loss</b>	<b>(4,144)</b>	<b>(5,947)</b>	<b>(9,798)</b>	<b>(8,050)</b>
<b>Loss for the period attributable to:</b>				
Owners of the Company	(7,132)	(7,516)	(11,594)	(10,291)
Non-Controlling Interests	67	111	290	320
	<b>(7,065)</b>	<b>(7,405)</b>	<b>(11,304)</b>	<b>(9,971)</b>
<b>Total comprehensive loss attributable to:</b>				
Owners of the Company	(4,211)	(6,058)	(10,088)	(8,370)
Non-Controlling Interests	67	111	290	320
	<b>(4,144)</b>	<b>(5,947)</b>	<b>(9,798)</b>	<b>(8,050)</b>
<b>Earnings per share attributable to Owners of the Company :</b>				
- Basic (sen)	(1.2)	(1.4)	(2.0)	(2.0)
- Diluted (sen)	-	-	-	-

**KUMPULAN EUROPLUS BERHAD (534368-A)**  
**Interim financial report for the third quarter ended 31 October 2013**  
(The figures have not been audited)

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	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/10/13 RM'000	PRECEDING YEAR QUARTER 31/10/12 RM'000	CURRENT FINANCIAL YEAR 31/10/13 RM'000	PRECEDING FINANCIAL YEAR 31/10/12 RM'000
<b>Notes: ( Refer to B1 " Review of Performance" for more info)</b>				
<b>N1) Included under Other Income</b>				
- Interest Income	550	241	1,157	1,754
<b>N2) Included under Operating Expenses</b>				
- Depreciation	(50)	(33)	(152)	(220)
- Provision for doubtful debt	-	(1,825)	-	(1,825)
- Provision for doubtful debt no longer required	1,849	-	2,341	3,531
- Reversal of over accrual of prior years rental	-	-	-	2,372

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial report.

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(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>UNAUDITED AS AT 31/10/13 RM '000</b>	<b>AUDITED AS AT 31/01/2013 RM '000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	19,950	19,743
Infrastructure development expenditure	130,445	115,221
Investment in associates	166,934	165,411
Goodwill on consolidation	7,086	7,086
<b>Total Non-Current Assets</b>	<b>324,415</b>	<b>307,461</b>
<b>Current Assets</b>		
Inventories	1,418	1,792
Trade and other receivables	48,982	61,364
Amount due from contracts customers	964	-
Fixed deposits with licence bank	155,695	1,638
Cash and bank balances	7,090	3,192
<b>Total Current Assets</b>	<b>214,149</b>	<b>67,986</b>
<b>TOTAL ASSETS</b>	<b><u>538,564</u></b>	<b><u>375,447</u></b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	572,992	520,992
Reserves	(424,737)	(419,975)
Attributable to Owners of the Company	148,255	101,017
Non-controlling interests	42,433	7,952
<b>Total Equity</b>	<b>190,688</b>	<b>108,969</b>
<b>Non-Current Liabilities</b>		
Deferred taxation	135	135
<b>Current Liabilities</b>		
Trade and other payables	128,274	128,880
Amount due to contracts customers	-	221
Loans and borrowings	216,901	133,549
Tax payables	2,566	3,693
<b>Total Current Liabilities</b>	<b>347,741</b>	<b>266,343</b>
<b>TOTAL LIABILITIES</b>	<b>347,876</b>	<b>266,478</b>
<b>EQUITY AND LIABILITIES</b>	<b><u>538,564</u></b>	<b><u>375,447</u></b>
Net assets per share attributable to Owners of the Company (RM)	<u>0.2587</u>	<u>0.1939</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<u>Non-Distributable</u>			<u>Accumulated Losses</u>	<u>Attributable to Owners of the Company</u>	<u>Non- Controlling Interests</u>	<u>Total Equity</u>
	<u>Share Capital</u>	<u>Share Premium</u>	<u>Foreign Exchange Reserve</u>				
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>Current financial year</b>							
Balance as at 1 February 2013	520,992	36,965	(458)	(456,482)	101,017	7,952	108,969
Dividend paid to non-controlling interest of a subsidiary	-	-	-	(55)	(55)	-	(55)
Issuance of shares	52,000	5,381	-	-	57,381	34,191	91,572
Total comprehensive income	-	-	1,506	(11,594)	(10,088)	290	(9,798)
<b>Balance as at 31 October 2013</b>	<b>572,992</b>	<b>42,346</b>	<b>1,048</b>	<b>(468,131)</b>	<b>148,255</b>	<b>42,433</b>	<b>190,688</b>
<b>Preceding financial year</b>							
Balance as at 1 February 2012	520,992	36,965	(2,424)	(430,523)	125,010	8,625	133,635
Acquisition of additional equity interest in a subsidiary	-	-	-	(1,256)	(1,256)	(2,127)	(3,383)
Total comprehensive income	-	-	1,921	(10,291)	(8,370)	320	(8,050)
<b>Balance as at 31 October 2012</b>	<b>520,992</b>	<b>36,965</b>	<b>(503)</b>	<b>(442,070)</b>	<b>115,384</b>	<b>6,818</b>	<b>122,202</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>9 months ended 31/10/13 RM'000</b>	<b>9 months ended 31/10/12 RM'000</b>
<b>OPERATING ACTIVITIES:</b>		
Loss before taxation:	(10,857)	(9,176)
Adjustment for :		
Share of results of associates	(19)	6,790
Depreciation of property, plant and equipment	152	220
Gain on disposal of property, plant and equipment	-	(220)
Impairment loss on receivables	-	1,825
Impairment loss on receivables no longer required	(2,341)	(3,531)
Interest income	(1,157)	(1,754)
Interest expense	9,391	7,432
<b>Operating cash flows before changes in working capital</b>	<b>(4,831)</b>	<b>1,586</b>
Changes in Working Capital:		
Inventories	374	(368)
Receivables	13,935	7,413
Payables	(4,498)	13,749
Balances with customers for contract works	(1,185)	16,135
Infrastructure development expenditure	(15,100)	(17,114)
<b>Net cash flows (used in)/generated from operations</b>	<b>(11,305)</b>	<b>21,401</b>
Interest paid	(9,391)	(7,432)
Income tax paid	(1,570)	(1,861)
<b>Net cash flows (used in)/generated from operating activities</b>	<b>(22,266)</b>	<b>12,108</b>
	(343)	

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>9 months ended 31/10/13 RM'000</b>	<b>9 months ended 31/10/12 RM'000</b>
<b>INVESTING ACTIVITIES</b>		
Increase/Decrease in amount owing to associates	4,846	(4,871)
Interest received	1,157	1,754
Proceeds from disposal of property, plant and equipment	-	1,232
Additions to property, plant and equipment	(650)	(639)
<b>Net cash flows generated from/(used in) investing activities</b>	<u>5,353</u>	<u>(2,524)</u>
<b>FINANCING ACTIVITIES</b>		
Issuance of shares	57,380	-
Decrease in amount owing to director	-	(200)
Additional acquisition of interest in a subsidiary company	-	(1,256)
Increase in equity interest in a subsidiary	34,191	-
Repayment of borrowings	83,173	(6,911)
<b>Net cash flows generated from/(used in) financing activities</b>	<u>174,744</u>	<u>(8,367)</u>
Net increase in cash and cash equivalents	157,831	1,217
Cash and cash equivalents at beginning of financial period	3,074	1,028
Cash and cash equivalents at end of financial period	<u>160,905</u>	<u>2,245</u>

**Note :**

Cash and cash equivalents at the end of the financial period comprise of :

Cash and bank balances	7,090	3,648
Fixed deposits with licence bank	155,695	301
Bank overdrafts	(1,880)	(1,704)
	<u>160,905</u>	<u>2,245</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013 and the accompanying explanatory notes attached to the interim financial report.

## **NOTES TO CONDENSED FINANCIAL STATEMENTS**

### **PART A – Explanatory Notes Pursuant to FRS 134**

#### **A1. Basis of Preparation**

The unaudited quarterly consolidated financial statements have been prepared in accordance with Financial Reporting Standards (“FRS”) 134 “Interim Financial Reporting” and paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“Bursa Securities Listing Requirements”) and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 January 2013 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 January 2013.

#### **A2. Accounting policies and methods of computation**

The significant accounting policies and methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 January 2013 except for the first-time adoption of MFRS Framework.

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) issued a new MASB approved accounting framework, the MFRS Framework. The MFRS framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venture (herein called “Transitioning Entities”).

Transitioning Entities are allowed to defer adoption of the new MFRS Framework for an additional two years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

The Group falls within the scope of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 January 2015.

In presenting its first MFRS financial statements, the Group is required to restate the comparative financial statements to amounts reflecting the applications of MFRS Framework. The majority of the adjustments required on transition will be made retrospectively, against opening retained profits.

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**NOTES TO CONDENSED FINANCIAL STATEMENTS**

**A2. Accounting policies and methods of computation (continue)**

The Group has adopted the following standards that have been issued by Malaysian Accounting Standards Board as these are effective for the financial period beginning on or after 1 January 2013

	Effective for the Financial period Beginning on or After
FRS 101 Presentation of Items of Other Comprehensive Income (Amendments to FRS 101)	1 July 2012
Amendments to FRS 101: Presentation of Financial Statements (Improvements to FRSs (2012))	1 January 2013
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosures of interest in Other Entities	1 January 2013
FRS 13 Fair Value Measurements	1 January 2013
FRS 119 Employee Benefits	1 January 2013
FRS 127 Separate Financial Statements	1 January 2013
FRS 128 Investment in Associates and Joint Ventures	1 January 2013
Amendments to FRS 7: Disclosure - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 1: First-time Adoption of Malaysian Financial Reporting Standards (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 116: Property, Plant and Equipment (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 132: Financial Instruments: Presentation (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 134: Interim Financial Reporting (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 10: Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to FRS 11: Joint Arrangements: Transition Guidance	1 January 2013
Amendments to FRS 12: Disclosure of Interest in Other Entities: Translation Guidance	1 January 2013



## **NOTES TO CONDENSED FINANCIAL STATEMENTS**

### **A3. Seasonality or Cyclicity of Operations**

The business operations of the Group are not affected by any material seasonal or cyclical factors.

### **A4. Unusual Items**

There were no unusual items that have material effects on the assets, liabilities, equity, net income, or cash flows for the current financial year other than those mentioned in Note B1.

### **A5. Material Changes in Estimates**

There was no change to estimates that has a material effect in the current year quarter and current financial year.

### **A6. Debt and Equity Securities**

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current year quarter and current financial year.

### **A7. Dividend**

No dividend has been paid in the current financial year.

### **A8. Segmental Results**

Segmental results are included in Note B1 below.

### **A9. Material Subsequent Events**

Material events subsequent to the end of the current financial quarter are as follows:-

(a) Sale of 10% equity interest in Radiant Pillar Sdn Bhd (“RPSB”)

KEB on 12 August 2013 as announced, entered into a conditional share sale agreement (“SSA”) with IJM Properties Sdn Bhd (“IJMP” or “Purchaser”) for the proposed disposal of 10% equity interest held in RPSB to IJMP, for a total cash consideration of RM52.5 million, upon the terms and subject to the conditions as set out in the SSA.

Upon acceptance by the relevant authorities, the Company issued a circular on 5 December 2013 and the EGM will be held on 3 January 2014 to seek shareholders’ approval for the above transaction.

## NOTES TO CONDENSED FINANCIAL STATEMENTS

### A9. Material Subsequent Events (Cont.)

(b) Renounceable rights issue and warrants with consequential increase in authorised share capital of the Company

On 12 August 2013, the Company announced that it was proposing to undertake the following:-

- i.) a renounceable rights issue of 429,743,823 new ordinary shares of RM1.00 each in KEB (“Rights Shares”) together with 214,871,911 free detachable warrants (“Warrant(s)”), on the basis of three (3) Rights Shares for every four (4) existing ordinary shares of RM1.00 each in KEB (“KEB Shares” or “Shares”) held and one (1) free Warrant for every two (2) Rights Shares subscribed for on an entitlement date to be determined later .
- ii.) an increase in the authorised share capital of the Company from RM1,000,000,000 comprising 1,000,000,000 KEB Shares to RM3,000,000,000 comprising 3,000,000,000 KEB Shares; and
- iii.) amendments to the Memorandum and Articles of Association (“M&A”) of the Company

Upon approval by Bursa, the Company issued a circular on 5 December 2013 and the EGM will be held on 3 January 2014 to seek shareholders’ approval for the above transaction.

### A10. Changes in the Composition of the Group

There were no material changes in the composition of the Group for the current year quarter and financial year.

### A11. Contingent Liabilities

**RM’000**

A subsidiary was indebted to a bank which had on 7 September 2010 auctioned and disposed of a piece of land (“Land”) belonging to TTransform (formerly “Trinity”) Group which was used as the security for the borrowing. The Group is contingently liable to TTransform Group until all court proceedings have been fully exhausted. 33,700

**NOTES TO CONDENSED FINANCIAL STATEMENTS**

**PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of Performance**

**(a) Segmental Information**

	<b>Current quarter</b>				<b>Cumulative quarters</b>			
	<b>31/10/13</b>	<b>31/10/12</b>	<b>Changes</b>		<b>31/10/13</b>	<b>31/10/12</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b><u>Segmental Revenue</u></b>								
Manufacturing and trading of industrial products	1,797	3,143	(1,346)	(43)	8,626	9,978	(1,352)	(14)
Construction	158	933	(775)	(83)	1,693	3,515	(1,822)	(52)
Investment holding, management services and leasing	-	-	-	-	-	-	-	-
	<u>1,955</u>	<u>4,076</u>	<u>(2,121)</u>	<u>(52)</u>	<u>10,319</u>	<u>13,493</u>	<u>(3,174)</u>	<u>(24)</u>
<b><u>Loss before tax</u></b>								
Manufacturing and trading of industrial products	(7)	(1,059)	1,052	(99)	1,667	249	1,418	569
Construction	(1,195)	(126)	(1,069)	(848)	(1,386)	2,361	(3,747)	159
Investment holding, management services and leasing	(5,856)	(5,997)	141	(2)	(11,138)	(11,786)	648	(5)
	<u>(7,058)</u>	<u>(7,182)</u>	<u>124</u>	<u>(2)</u>	<u>(10,857)</u>	<u>(9,176)</u>	<u>(1,681)</u>	<u>18</u>

## **NOTES TO CONDENSED FINANCIAL STATEMENTS**

### **(b) Overall Results Commentary:**

#### **For the quarter:**

The Group recorded a revenue of RM1.96 million, which is a decrease of 52% compared with the revenue of RM4.08 million recorded in the preceding year quarter due to reduction of sales volume in manufacturing sector and completion of construction projects. The Group recorded a pre-tax loss of RM7.06 million compared to a pre-tax loss of RM7.18 million in the preceding year quarter. The reduced loss is due to share of profits from Radiant of RM2.95 million.

#### **For the year-to-date:**

The Group recorded a revenue of RM10.32 million, which is a decrease of 24% compared with the revenue of RM13.49 million recorded in the preceding year, due to reduction of sales volume in manufacturing sector and completion of construction projects. The Group recorded a pre-tax loss of RM10.86 million, an increase of 18%, due to reversal of prior years rental expenses in the preceding year.

### **(c) Segmental Results Commentary:**

#### **i) Manufacturing and trading of industrial products:**

##### **For the quarter:**

The division recorded revenue of RM1.80 million, a decrease of 43% compared with the revenue of RM3.14 million recorded in the preceding year quarter due to competitive market conditions. The RM1.05 million decrease in pre-tax loss is primarily due to a provision for doubtful debt amounting to RM1.83 million in the preceding year quarter.

##### **For the year-to-date:**

The division recorded a revenue of RM8.63 million, a decrease of 14% compared with revenue achieved in the preceding year due to competitive market conditions. However, pre-tax profit increased from RM0.25 million to RM1.67 million mainly due a provision for doubtful debts of RM1.83 million made in the previous year quarter.

#### **ii) Construction:**

##### **For the quarter:**

Revenue of the division decreased by RM0.78 million mainly due to completion of construction projects. The pre-tax loss of RM1.20 million as compared to the pre-tax loss of RM0.13 million in the preceding year quarter is mainly due to the reversal of prior years rental expenses in the preceding year quarter.

##### **For the year-to-date:**

Revenue of the division decreased by RM1.82 million due to completion of construction projects. The pre-tax loss of RM1.39 million as compared to the pre-tax profit of RM2.36 million in the preceding year is mainly due to the reversal of prior years rental expenses in the preceding year.

## **NOTES TO CONDENSED FINANCIAL STATEMENTS**

### **iii) Investment holding, Management Services and Leasing:**

#### **For the quarter:**

There is no revenue from this division for the current year quarter.

The Group recorded a pre-tax loss of RM5.86 million in the current year quarter as compared to a pre-tax loss of RM6.00 million in the preceding year quarter. During this period, the Group accounted for its share of profit of RM2.95 million from RPSB whilst Talam Transform Berhad (“TTransform”) recorded share of loss of RM4.20 million.

#### **For the year-to-date:**

There is no revenue from this division for the year.

The Group recorded a pre-tax loss of RM11.14 million for the year as compared to a pre-tax loss of RM11.78 million in the preceding year. During the year, the Group accounted for its share of profits of RM6.40 million from RPSB whilst TTransform recorded share of loss of RM6.42 million.

## **B2. Comparison with Preceding Quarter’s Results**

### **Overall:**

For the current year quarter, the Group achieved a total revenue of RM1.96 million and pre-tax loss of RM7.06 million against revenue of RM3.26 million and pre-tax loss of RM0.95 million in the preceding quarter. The decrease in total revenue is mainly due to the reduction in sales volume in the manufacturing sector and the completion of construction projects whilst the increase in pre-tax losses is due to professional fees incurred in relation to the Group’s Corporate exercise.

## **NOTES TO CONDENSED FINANCIAL STATEMENTS**

### **B3. Prospects**

- (a) On 2 January 2013, West Coast Expressway Sdn Bhd (“WCESB”) signed a conditional concession agreement with the Government of Malaysia in relation to the WCE Project (“**Concession Agreement**”). The concession involves the development of the west coast expressway from Banting in Selangor to Taiping in Perak with 233 km of toll highway (including 40 km of highway to be constructed later). The Project is a build-operate-transfer (BOT) project with a concession period up to a maximum of 60 years. WCESB is required to fulfill the conditions precedent of the Concession Agreement within nine (9) months from the date of execution of the Concession Agreement (“**CP Period**”). The Government of Malaysia may extend the CP Period for up to three (3) months, if required.

On 23 December 2013, WCESB has received a written confirmation from the Government of Malaysia that it has complied with all the conditions precedent in respect of the Concession Agreement and the effective date of the Concession Agreement is now fixed on 20 December 2013. With the confirmation of the effective date, WCESB can commence work for the Project.

- (b) RPSB launched the Phase 1 of Bandar Rimbayu (“BR”) in March 2013 through a balloting process where the response was overwhelming and the non-bumiputra units for this phase was fully sold-out. RPSB launched Phase 2 in August 2013 which comprises of terrace houses with a larger built-up area as compared to Phase 1. The response for Phase 2 was also well received by public.

Upon completion of the proposed sale of 10% equity interest in RPSB as announced on 12 August 2013, the Group will still have a 40% stake in BR. The Company is expected to benefit from the management expertise and core competencies of IJM Land Group in township development. The “IJM Land” branding is also expected to enhance the value of the BR Development.

### **B4. Profit Forecast and Guarantee**

No profit forecast or guarantee was issued in respect of the current financial year.

**NOTES TO CONDENSED FINANCIAL STATEMENTS****B5. Taxation**

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>Current Year</b>	<b>Preceding Year</b>	<b>Current Year</b>	<b>Preceding Year</b>
	<b>Quarter</b>	<b>Quarter</b>	<b>To-date</b>	<b>To-date</b>
	<b>31/10/13</b>	<b>31/10/12</b>	<b>31/10/13</b>	<b>31/10/12</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Income Tax</b>				
current year	7	210	447	635
prior year	-	13	-	160
	<u>7</u>	<u>223</u>	<u>447</u>	<u>795</u>
<b>Deferred Tax</b>				
current year	-	-	-	-
prior year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Income tax provision for the current year is mainly in respect of a manufacturing subsidiary.

**B6. Status of Corporate Proposals**

The Company is in the process of undertaking several corporate proposals as mentioned in section A9 above.

**NOTES TO CONDENSED FINANCIAL STATEMENTS**

**B7. Group Borrowings and Debt Securities**

The Group's borrowings and debt securities which are denominated in Ringgit Malaysia as at 31 October 2013 are as follows:

	<b>RM'000</b>
Short term borrowings	
secured	212,264
unsecured	4,637
Total borrowings	<u><u>216,901</u></u>

**B8. Off Balance Sheet Risk Financial Instruments**

The Group did not contract for any financial instruments with off balance sheet risk as at the date of this announcement.

**B9. Material Litigation**

The Group has not engaged in any material litigation since the last annual year end date.

**B10. Dividend**

No dividend has been declared for the current and preceding financial year.

**B11. Earnings Per Share**

**Basic**

The basic earnings per share is calculated by dividing the Group's net loss attributable to owners of RM7,132,000 for the current year quarter and RM11,594,000 for the current financial year by the number of ordinary shares in issue as at 31 October 2013 of 572,991,765 shares.

For the preceding year quarter and preceding financial year, the basic earnings per share is calculated by dividing the Group's net loss attributable to owners of RM7,516,000 for the current year quarter and RM10,291,000 by the number of ordinary shares in issue as at 31 October 2012 of 520,991,765 shares.

**Diluted**

The diluted earnings per share is not calculated as there is no dilutive effect on earnings per share for the current year quarter and current financial year.



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(The figures have not been audited)

**NOTES TO CONDENSED FINANCIAL STATEMENTS**

**B12. Realised and Unrealised Losses**

	<b>As at 31 October 2013 RM'000</b>	<b>As at 31 October 2012 RM'000</b>
<b>Accumulated losses of the Group and its subsidiaries</b>		
- Realised	(291,994)	(212,919)
- Unrealised	135	(113)
<b>Associated Companies</b>		
- Realised	(171,271)	(221,184)
- Unrealised	(5,001)	(7,854)
<b>Total group accumulated losses</b>	<u>(468,131)</u>	<u>(442,070)</u>

**B13. Audit Report**

The auditors' report of the financial statements for the year ended 31 January 2013 was not subject to any qualification.

**B14. Authorisation for Issue**

The interim financial reports were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 31 December 2013.

By order of the Board

Raw Koon Beng  
Company Secretary