

KUMPULAN EUROPLUS BERHAD (534368-A)**Interim financial report for the fourth quarter ended 31 January 2014**

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/01/14 RM'000	PRECEDING YEAR QUARTER 31/01/13 RM'000	CURRENT FINANCIAL YEAR 31/01/14 RM'000	PRECEDING FINANCIAL YEAR 31/01/13 RM'000
Continuing Operations				
Revenue	2,009	4,364	12,328	17,857
Cost of sales	(1,716)	(3,577)	(10,292)	(14,713)
Gross profit	293	787	2,036	3,144
Other income (N1)	50,960	1,247	52,138	4,404
Operating expenses (N2)	(1,544)	(10,001)	(5,950)	(10,469)
Finance cost	(3,521)	(3,118)	(12,912)	(10,550)
Share of results of associates	12,173	(1,848)	12,192	(8,638)
Profit/(Loss) before tax	58,361	(12,933)	47,504	(22,109)
Taxation	(52)	(227)	(499)	(1,022)
Profit/(Loss) for the period	58,309	(13,160)	47,005	(23,131)
Share of other comprehensive profit/(loss)	-	45	1,505	1,966
Total comprehensive profit/(loss)	58,309	(13,115)	48,510	(21,165)
Profit/(Loss) for the period attributable to:				
Owners of the Company	58,179	(12,900)	46,585	(23,191)
Non-Controlling Interests	130	(280)	420	40
	58,309	(13,180)	47,005	(23,151)
Total comprehensive profit/(loss) attributable to:				
Owners of the Company	58,179	(12,855)	48,090	(21,225)
Non-Controlling Interests	130	(280)	420	40
	58,309	(13,135)	48,510	(21,185)
Earnings per share attributable to Owners of the Company :				
- Basic (sen)	10.6	(2.5)	8.5	(4.5)
- Diluted (sen)	10.6	(2.5)	8.5	(4.5)

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	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/01/14 RM'000	PRECEDING YEAR QUARTER 31/01/13 RM'000	CURRENT FINANCIAL YEAR 31/01/14 RM'000	PRECEDING FINANCIAL YEAR 31/01/13 RM'000

Notes: (Refer to B1 " Review of Performance" for more information)**N1) Included in Other Income**

- Interest Income	827	1,117	1,984	2,871
- Profit on disposal of investment	50,139	-	50,139	-

N2) Included in Operating Expenses

- Depreciation	(53)	(64)	(205)	(284)
- Plant, property and equipment written off	-	(95)	-	(95)
-(Loss)/gain on disposal of plant, property and equipment	(12)	-	(12)	223
- Provision for impairment on receivables	-	(5,415)	-	(3,708)
- Provision for impairment on receivables no longer required	-	-	2,341	-
- Reversal of over accrual of prior years rental	-	(372)	-	2,000
- Impairment of goodwill in investment	-	(1,717)	-	(1,717)

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.

KUMPULAN EUROPLUS BERHAD (534368-A)**Interim financial report for the fourth quarter ended 31 January 2014**

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED AS AT 31/01/14 RM '000	AUDITED AS AT 31/01/2013 RM '000
ASSETS		
Non-Current Assets		
Property, plant and equipment	19,790	19,743
Infrastructure development expenditure	131,892	115,221
Investment in associates	176,745	165,411
Goodwill on consolidation	7,086	7,086
Total Non-Current Assets	335,513	307,461
Current Assets		
Inventories	1,435	1,792
Trade and other receivables	48,748	61,364
Amount due from contracts customers	181	-
Fixed deposits with licence bank	94,131	1,638
Cash and bank balances	6,974	3,192
Total Current Assets	151,469	67,986
TOTAL ASSETS	<u>486,982</u>	<u>375,447</u>
EQUITY AND LIABILITIES		
Share capital	572,992	520,992
Reserves	(366,504)	(419,975)
Attributable to Owners of the Company	206,488	101,017
Non-controlling interests	42,562	7,952
Total Equity	249,050	108,969
Non-Current Liabilities		
Deferred taxation	135	135
Current Liabilities		
Trade and other payables	112,130	128,880
Amount due to contracts customers	-	221
Loans and borrowings	123,757	133,549
Tax payables	1,910	3,693
Total Current Liabilities	237,797	266,343
TOTAL LIABILITIES	237,932	266,478
EQUITY AND LIABILITIES	<u>486,982</u>	<u>375,447</u>
Net assets per share attributable to Owners of the Company (RM)	0.3604	0.1939

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.

KUMPULAN EUROPLUS BERHAD (534368-A)
Interim financial report for the fourth quarter ended 31 January 2014
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non-Distributable		Share Capital RM'000	Share Premium RM'000	Foreign Exchange Reserve RM'000	Accumulated Losses RM'000	Attributable to Owners of the Company RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Premium RM'000	Foreign Exchange Reserve RM'000							
Current financial year									
Balance as at 1 February 2013	520,992	36,965	(458)	(456,482)	101,017	7,952	108,969		
Issuance of shares	52,000	5,381	-	-	57,381	34,190	91,571		
Total comprehensive income	-	-	1,505	46,585	48,090	420	48,510		
Balance as at 31 January 2014	<u>572,992</u>	<u>42,346</u>	<u>1,047</u>	<u>(409,897)</u>	<u>206,488</u>	<u>42,562</u>	<u>249,050</u>		
Preceding financial year									
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	-	-	-	(2,768)	(2,768)	(2,568)	(5,336)		
Total comprehensive income	-	-	1,966	(23,191)	(21,225)	40	(21,185)		
Issuance of shares to non-controlling interest in a subsidiary	-	-	-	-	-	1,890	1,890		
Dividend paid to non-controlling interest in a subsidiary	-	-	-	-	-	(35)	(35)		
Balance as at 31 January 2013	<u>520,992</u>	<u>36,965</u>	<u>(458)</u>	<u>(456,482)</u>	<u>101,017</u>	<u>7,952</u>	<u>108,969</u>		

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.

KUMPULAN EUROPLUS BERHAD (534368-A)
Interim financial report for the fourth quarter ended 31 January 2014
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended 31/01/14 RM'000	12 months ended 31/01/13 RM'000
OPERATING ACTIVITIES:		
Profit / (Loss) before taxation:	47,504	(22,109)
Adjustment for :		
Share of results of associates	(12,192)	8,638
Gain on disposal of investment	(50,138)	
Depreciation of property, plant and equipment	205	499
Bad debts written off	-	17
Property, plant and equipment written off	-	68
Loss on disposal of property, plant and equipment	12	-
Gain on disposal of property, plant and equipment	-	(223)
Impairment loss on receivables	-	6,298
Impairment loss on receivables no longer required	(2,341)	(811)
* Interest income	(1,984)	(2,867)
Interest expense	12,912	10,550
Operating cash flows before changes in working capital	(6,022)	60
Changes in Working Capital :		
Inventories	357	(603)
Receivables	13,930	3,684
Payables	(20,803)	18,938
Balances with customers for contract works	(402)	1,775
Associate balances	-	6,379
Infrastructure development expenditure	(16,492)	(24,611)
*Net cash flows from operations	(29,432)	5,622
Interest paid	(12,912)	(20)
Income tax paid	(2,282)	(2,671)
Net cash flows from operating activities	(44,626)	2,931

KUMPULAN EUROPLUS BERHAD (534368-A)
Interim financial report for the fourth quarter ended 31 January 2014
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended 31/01/14 RM'000	12 months ended 31/01/13 RM'000
INVESTING ACTIVITIES		
Increase/Decrease in amount owing to associates	5,080	17,771
Disposal of investment in associates	-	-
Proceeds from disposal of investment	52,500	-
Interest received	1,984	2,867
Proceeds from disposal of property, plant and equipment	251	1,194
Additions to property, plant and equipment	(693)	(930)
Net cash flows (used in)/used from investing activities	<u>59,122</u>	<u>20,902</u>
FINANCING ACTIVITIES		
Issuance of shares	57,381	-
Issuance of shares to non-controlling interest of a subsidiary	-	1,890
Dividend paid to non-controlling interest of a subsidiary	-	(35)
Interest paid	-	(10,530)
Decrease in amount owing to director	-	(200)
Additional acquisition of interest in a subsidiary company	-	(5,336)
Increase in equity interest in a subsidiary	34,190	-
Repayment of finance lease liabilities	-	(81)
Repayment of borrowings	(9,959)	(7,495)
Net cash flows used in financing activities	<u>81,612</u>	<u>(21,787)</u>
Net increase in cash and cash equivalents	96,108	2,046
Cash and cash equivalents at beginning of financial period	3,074	1,028
Cash and cash equivalents at end of financial period	<u>99,182</u>	<u>3,074</u>
Note :		
Cash and cash equivalents at the end of the financial period comprise of :		
Cash and bank balances	6,974	3,192
Fixed deposits with licence bank	94,131	1,638
Bank overdrafts	(1,923)	(1,756)
	<u>99,182</u>	<u>3,074</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.

As announced on 29 January 2014, the Company has changed its financial year end to 31 March. Accordingly, the first set of financial statements reflecting the change will be made up from 1 February 2013 to 31 March 2014 covering a period of 14 months.

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”).

The Transitioning Entities are given an option to defer the adoption of the MFRS Framework for annual periods beginning on or after 1 January 2014 and are further allowed to defer adoption of the new MFRS Framework for an additional two years.

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 financial year ending 31 March 2016.

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 (20120))	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 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:-

NOTES TO CONDENSED FINANCIAL STATEMENTS

A9. Material Subsequent Events (Cont.)

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 the Company ("Rights Shares") together with 214,871,911 free detachable warrants ("Warrant(s)"), on the basis of three Rights Shares for every four existing ordinary shares of RM1.00 each in KEB ("KEB Shares" or "Shares") held and one free Warrant for every two 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 Ordinary shares of RM1.00 each to RM3,000,000,000 comprising 3,000,000,000 Ordinary shares of RM1.00 each; and
- iii) amendments to the Memorandum and Articles of Association ("M&A") of the Company

Upon approval by Bursa, the Company issued a circular to the shareholders on 5 December 2013.

In an EGM held on 3 January 2014, the shareholders of the Company approved all of the above proposals.

Accordingly the proposed increase in the authorised share capital of the Company and proposed amendments to the M&A of the Company in items (ii) and (iii) above was completed on 3 January 2014.

However, item (i) above is still pending the Company obtaining necessary approvals from the relevant Authorities to enable the issuance of an Abridged Prospectus to be circulated to shareholders.

As the Group ceased having board representation in Talam Transform Berhad (TTB") from 17 February 2014, the Group will cease to equity account the investment in TTB, and will mark its investment to market at 31 March 2014.

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 except for the reduction on equity interest in Radiant Pillar Sdn.Bhd. ("RPSB") to a 40% owned associate, pursuant to the completion of the proposed sale of 10% equity interest in RPSB.

The proposed sale of the 10% equity interest in RPSB was announced on 12 August 2013 and approved by shareholders in an EGM held on 3 January 2014.

A11. Contingent Liabilities

A subsidiary was indebted to a bank which had on 7 September 2010 auctioned and disposed of a piece of land belonging to Talam Transform Berhad (formerly known as Trinity Corporation Berhad) which was used as the security for the borrowing. TTB is taking legal action against the bank for the difference between the auction price and the market price. In the event, TTB is unable to succeed in its claim, there may be a contingent liability not exceeding RM33.00 million.

NOTES TO CONDENSED FINANCIAL STATEMENTS

(b) Overall Results Commentary:

For the quarter:

The Group recorded a revenue of RM2.01 million, which is a decrease of 54% compared with the revenue of RM4.36 million recorded in the preceding year quarter. This was due to a reduction of sales volume in the manufacturing segment and the completion of construction projects. The Group recorded a pre-tax profit of RM58.36 million compared to a pre-tax loss of RM12.93 million in the preceding year quarter. This is mainly due to the disposal of 100,000 Ordinary shares of RM1.00 each representing 10% equity interest in RPSB that resulted in a gain of RM50.14 million.

For the year-to-date:

The Group recorded a revenue of RM12.33 million, which is a decrease of 31% compared with the revenue of RM17.86 million recorded in the preceding year, mainly due to the reduction of sales volume in the manufacturing sector and completion of construction projects. The Group recorded a pre-tax profit of RM47.50 million, an increase of 315%, mainly due to the reason mentioned above.

(c) Segmental Results Commentary:

i) Manufacturing and trading of industrial products:

For the quarter:

The division recorded revenue of RM2.01 million, a decrease of 40% compared with the revenue of RM3.37 million recorded in the preceding year quarter due to competitive market conditions. The RM0.10 million decrease in pre-tax profit is primarily due to the decrease in revenue.

For the year-to-date:

The division recorded a revenue of RM10.64 million, a decrease of 20% compared with revenue achieved in the preceding year due to competitive market conditions. However, pre-tax profit increased from RM0.55 million to RM1.87 million mainly due to a provision for doubtful debts of RM1.83 million made in the preceding year.

ii) Construction:

For the quarter:

There is no revenue in the division due to completion of all construction projects since the previous quarter. The pre-tax loss of RM0.04 million is mainly due to administration expenses.

For the year-to-date:

Revenue for the division decreased by RM2.81 million due to the completion of construction projects. The pre-tax loss of RM1.43 million as compared to the pre-tax profit of RM1.87 million in the preceding year is mainly due to a reversal of expenses over accrued of RM2.00 million made 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 profit of RM58.20 million in the current year quarter as compared to a pre-tax loss of RM12.74 million in the preceding year quarter. This is mainly due to the disposal of 100,000 shares of RM1.00 each, representing 10% equity interest in the disposal of RPSB amounting to RM50.14 million. The Group also equity accounted for its share of profit of RM5.45 million and RM6.75 million from RPSB and Talam Transform Berhad respectively.

For the year-to-date:

There is no revenue from this division for the year.

The Group recorded a pre-tax profit of RM47.06 million for the year as compared to a pre-tax loss of RM24.27 million in the preceding year due to the reasons mentioned above. During the year, the Group equity accounted for its share of profits of RM11.85 million and RM0.33 million from RPSB and Talam Transform respectively.

B2. Comparison with Preceding Quarter's Results

Overall:

For the current year quarter, the Group achieved a total revenue of RM2.01 million and pre-tax profit of RM58.36 million against revenue of RM1.96 million and pre-tax loss of RM7.06 million in the preceding quarter. The increase in total revenue is mainly from the increase in sales from the manufacturing sector whilst the increase in pre-tax profit is mainly due to completion of the proposed disposal of 100,000 ordinary shares representing 10% equity interest in RPSB amounting to RM50.14 million.

NOTES TO CONDENSED FINANCIAL STATEMENTS

B3. Prospects

- (a) West Coast Expressway Sdn Bhd (“WCESB”) had on 2 January 2013 signed a Concession Agreement (“CA”) with the Government in relation to the WCE Project. WCESB has received Confirmation from the Government that it has fulfilled all conditions precedent in respect of the CA and the effective date is 20 December 2013. The WCE Project involves the development of a 233 kilometres of tolled highway from Banting, Selangor to Taiping, Perak (including 40 kilometres of highway to be constructed later). The WCE Project is expected to provide an alternative route for road users and is planned and designed to be connected to the existing highways such as Lebuhraya Shah Alam (“KESAS”), South Klang Valley Expressway (“SKVE”), Expressway Lingkarang Tengah (“ELITE”) and Lebuhraya Kemuning Shah Alam (“LKSA”) in order to maximise coverage to major cities, townships and industrial areas as well as to provide the road users savings in travelling time and costs. The WCE Project is also expected to provide a safer route to coastal areas and avoids mountainous terrains in Jelapang – Kuala Kangsar area of the North South Expressway. The WCE Project is a build-operate-transfer project with a concession period of up to a maximum of 60 years. The construction of the WCE Project is expected to commence in second quarter of 2014 and will take five years for completion. The project cost is approximately RM5,900 million and revenue from toll collections is expected to commence in 2018.

Upon commencement of toll collection at the West Coast Expressway, its operations are expected to enhance the future profitability and improve the financial position of our Group as this is one of the key projects that is expected to drive our Group’s financial performance and place it on a better financial standing, moving forward.

- (b) Bandar Rimbayu Sdn Bhd, a wholly-owned subsidiary of RPSB, is the developer of a township known as Bandar Rimbayu. Bandar Rimbayu is a 1,878-acre silver Green Building Index certified premier township development. It is located about three kilometres south of Kota Kemuning in Shah Alam, Selangor which is strategically located adjacent to matured neighbourhoods like Subang Jaya, USJ, Kemuning Utama, Puchong, Shah Alam and Klang. The maiden launch of the Phase 1 and Phase 2 of the township took place in March 2013 and August 2013 respectively. To date, the take-up rate for Phase 1 and Phase 2 is 82% and 68% respectively.

The Bandar Rimbayu development comprises of mixed residential components and commercial hub. The commercial hub is expected to have shopping malls, private education institutions and medical institutions. The township has good connectivity to Shah Alam, Klang, Port Klang, Putrajaya, Cyberjaya, Puchong, Subang Jaya and Damansara as well as to the Kuala Lumpur International Airport via five major highways, namely the KESAS, SKVE, ELITE and LKSA as well as the West Coast Expressway when it is completed. This township is to be developed over 15-20 years and is expected to contribute positively to the future consolidated financial results of our Group, via our 40% equity interest held in RPSB.

- (c) The Company is also exploring other businesses including participating in the construction of the WCE project.

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

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31/01/14 RM'000	Preceding Year Quarter 31/01/13 RM'000	Current Year To-date 31/01/14 RM'000	Preceding Year To-date 31/01/13 RM'000
Income Tax				
current year	52	227	499	862
prior year	-	-	-	160
	<u>52</u>	<u>227</u>	<u>499</u>	<u>1,022</u>
Deferred Tax				
current year	-	-	-	-
prior year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<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 January 2014 are as follows:

	RM'000
Short term borrowings	
- secured	119,797
- unsecured	3,960
Total borrowings	<u><u>123,757</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 profit attributable to owners of RM58,179,000 for the current year quarter and RM46,585,000 for the current financial year by the weighted average number of ordinary shares in issue as at 31 January 2014 of 551,325,089 shares (31 January 2013: 520,991,765 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 RM12,900,000 for the preceding year quarter and RM23,191,000 for the preceding financial year by the number of ordinary shares in issue as at 31 January 2013 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.

NOTES TO CONDENSED FINANCIAL STATEMENTS

B12. Realised and Unrealised Losses

	As at 31 January 2014 RM'000	As at 31 January 2013 RM'000
Accumulated losses of the Group and its subsidiaries		
- Realised	(243,571)	(278,822)
- Unrealised	135	135
Associated Companies		
- Realised	(161,439)	(172,239)
- Unrealised	(5,022)	(5,556)
Total group accumulated losses	<u>(409,897)</u>	<u>(456,482)</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 14 March 2014.

By order of the Board

Raw Koon Beng
Company Secretary