

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2013

The figures have not been audited.

	Note	3 months ended		3 months ended	
		31.03.2013 RM'000	31.03.2012 RM'000	31.03.2013 RM'000	31.03.2012 RM'000
Continuing Operations					
Revenue	A5	1,009	938	1,009	938
Cost of sales		(625)	(548)	(625)	(548)
Gross profit / (loss)		384	390	384	390
Other income		3	2	3	2
Net gain from fair value adjustment		-	-	-	-
Administrative and other expenses		(582)	(1,420)	(582)	(1,420)
Finance cost		(327)	(275)	(327)	(275)
Profit / (Loss) before taxation	A5	(522)	(1,303)	(522)	(1,303)
Taxation	B5	-	-	-	-
Net profit / (loss) for the financial period from continuing operations		(522)	(1,303)	(522)	(1,303)
Discontinued Operations					
Net profit / (loss) for the financial period from discontinued operations		-	-	-	-
Profit / (Loss) for the financial period		(522)	(1,303)	(522)	(1,303)
Other comprehensive income		-	-	-	-
Total comprehensive income for the financial period		(522)	(1,303)	(522)	(1,303)
Profit / (Loss) attributable to:					
Equity holders of the parent		(522)	(1,303)	(522)	(1,303)
Minority interests		-	-	-	-
		(522)	(1,303)	(522)	(1,303)
Total comprehensive income attributable to:					
Equity holders of the parent		(522)	(1,303)	(522)	(1,303)
Minority interests		-	-	-	-
		(522)	(1,303)	(522)	(1,303)
Proposed / Declared dividend per share (sen)		-	-	-	-
Earnings per share attributable to equity holders of the parent:					
Basic, for profit / (loss) from continuing operations (sen)	B10	(0.07)	(0.19)	(0.07)	(0.19)
Basic, for profit / (loss) from discontinued operations (sen)	B10	-	-	-	-
Basic, for profit / (loss) for the period (sen)	B10	(0.07)	(0.19)	(0.07)	(0.19)
Diluted, for profit / (loss) from continuing operations (sen)	B10	(0.07)	(0.19)	(0.07)	(0.19)
Diluted, for profit / (loss) from discontinued operations (sen)	B10	-	-	-	-
Diluted, for profit / (loss) for the period (sen)	B10	(0.07)	(0.19)	(0.07)	(0.19)

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

Part A3 - ADDITIONAL INFORMATION

1	Gross interest income	3	2	3	2
2	Gross interest expense	(327)	(275)	(327)	(275)

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2013

The figures have not been audited.

	Note	As at 31.03.2013 RM'000	As at 31.12.2012 RM'000 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment	A10	230	261
Investment properties	A2, A10	70,000	70,000
Intangible assets	A2	1,890	1,916
Trade receivables		7,125	7,125
		<u>79,245</u>	<u>79,302</u>
Current Assets			
Land and development expenditure		-	-
Asset held for sale		-	-
Trade receivables		2,464	2,760
Other receivables		121	104
Tax recoverable		27	27
Fixed deposits with licensed institution		208	288
Cash and bank balances		477	425
		<u>3,297</u>	<u>3,604</u>
TOTAL ASSETS		<u>82,542</u>	<u>82,906</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Parent			
Share capital		140,407	140,407
Retained earnings		(80,408)	(79,886)
Total equity		<u>59,999</u>	<u>60,521</u>
Non-current liabilities			
Borrowings - Hire purchase & finance lease	B7	-	-
Borrowings - Term loan	B7	13,884	13,884
		<u>13,884</u>	<u>13,884</u>
Current Liabilities			
Borrowings - Overdraft	B7	2,943	2,886
Borrowings - Term loan	B7	650	869
Borrowings - Hire purchase & finance lease	B7	11	18
Trade payables		602	580
Other payables		2,286	1,892
Income tax payable		2,167	2,256
		<u>8,659</u>	<u>8,501</u>
Total Liabilities		<u>22,543</u>	<u>22,385</u>
TOTAL EQUITY AND LIABILITIES		<u>82,542</u>	<u>82,906</u>
Net assets per share (RM)		0.0855	0.0862

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

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2013

The figures have not been audited.

	<----- Attributable to Equity Holders of the Parent ----->			Minority Interest	Total Equity	
	Note	Share Capital RM'000	Distributable Retained Earnings RM'000	Total RM'000	RM'000	
Balance as at 01.01.2012		140,407	(63,499)	76,908	-	76,908
Total comprehensive income for the financial period		-	(16,387)	(16,387)	-	(16,387)
Restatement of retained earnings		-	-	-	-	-
Balance as at 31.12.2012		<u>140,407</u>	<u>(79,886)</u>	<u>60,521</u>	<u>-</u>	<u>60,521</u>
Balance as at 01.01.2013		140,407	(79,886)	60,521	-	60,521
Total comprehensive income for the financial period		-	(522)	(522)	-	(522)
Balance as at 31.03.2012		<u>140,407</u>	<u>(80,408)</u>	<u>59,999</u>	<u>-</u>	<u>59,999</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2013

The figures have not been audited.

	3 months ended	
	31.03.2013	31.03.2012
	RM'000	RM'000
Net cash generated from / (used in) operating activities	138	(3,269)
Net cash generated from / (used in) investing activities	3	2
Net cash generated from / (used in) financing activities	(226)	3,071
Net increase / (decrease) in cash and cash equivalents	(85)	(196)
Cash and cash equivalents at beginning of financial period	(2,173)	(1,367)
Cash and cash equivalents at end of financial period	(2,258)	(1,563)

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

Fixed deposits with licensed institution	208	285
Cash and bank balances	477	748
Bank overdraft	(2,943)	(2,596)
	(2,258)	(1,563)

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

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2013

The figures have not been audited.

	3 months ended	
	31.03.2013 RM'000	31.03.2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	(522)	(1,303)
Adjustments for:		
Depreciation	31	106
Interest expense	327	275
Interest income	(3)	(2)
Amortisation of intangible assets	26	-
Impairment of intangible assets	-	-
Allowance for doubtful debts	-	-
Impairment of investment properties	-	-
Impairment of receivables	-	-
Share of (gain) / loss from joint venture	-	-
Writeback of impairment loss on receivables	-	-
Operating loss before working capital changes	(141)	(924)
(Increase) / Decrease in land and development expenditure	-	-
(Increase) / Decrease in asset held for sale	-	-
(Increase) / Decrease in receivables	279	202
(Increase) / Decrease in investment properties	-	-
Increase / (Decrease) in payables	416	(2,231)
Cash generated from / (used in) operations	554	(2,953)
Interest paid	(327)	(275)
Taxes paid	(89)	(41)
Tax recovered	-	-
Net cash generated from / (used in) operating activities	138	(3,269)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant, property and equipment	-	-
Interest received	3	2
Net investment in associate and joint venture	-	-
Net dividend received	-	-
Deposits received from disposal of concession rights	-	-
Net cash generated from / (used in) operating activities	3	2
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown / (repayment) of term loan & borrowings	(219)	3,079
Net drawdown / (repayment) of hire purchase	(7)	(8)
Net cash generated from / (used in) investing activities	(226)	3,071
Net increase / (decrease) in cash and cash equivalents	(85)	(196)
Cash and cash equivalents as at 1 January	(2,173)	(1,367)
Cash and cash equivalents as at end of period	(2,258)	(1,563)
CASH AND CASH EQUIVALENTS COMPRISE: -		
Fixed deposits with licensed institution	208	285
Cash and bank balances	477	748
Bank overdraft	(2,943)	(2,596)
	(2,258)	(1,563)

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

Part A – Explanatory Notes Pursuant to FRS 134

A1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention except for the financial assets and investment properties which were stated at fair values.

The interim financial statements were unaudited and have been prepared in accordance with requirements of the Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The 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 the interim financial statements provide an explanation of events and transactions that were significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2012.

A2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted were consistent with those of the audited financial statements for the year ended 31 December 2012.

A3. COMPARATIVES

There were no changes to the comparatives during the current financial period.

A4. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the preceding financial statements for the year ended 31 December 2012 was not qualified by the Auditors of the Company.

Part A – Explanatory Notes Pursuant to FRS 134

A5. SEGMENTAL INFORMATION

	3 months ended 31.03.2013 RM'000	3 months ended 31.03.2012 RM'000
Segment Revenue		
Revenue from continuing operations:-		
Investment holding	190	43
Timber extraction	145	-
Property management	864	938
Property development	-	-
Total revenue including inter-segment revenue	1,199	981
Elimination of inter-segment revenue	(190)	(43)
Total revenue from continuing operations	1,009	938
Revenue from discontinued operations	-	-
Total	1,009	938
Segment Results		
Results from continuing operations:-		
Investment holding	(341)	(915)
Timber extraction	(25)	34
Property management	(86)	(340)
Property development	(70)	(82)
	(522)	(1,303)
Eliminations	-	-
Total results from continuing operations	(522)	(1,303)
Results from discontinued operations	-	-
Total	(522)	(1,303)

A6. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE, OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 March 2013, except for:

- (a) A Heads of Agreement (“HOA”) entered into between the Company and Generasi Cipta Sdn Bhd (“GENCIP”) on 9 February 2012, for the proposed acquisition of 60% in Sagajuta (Sabah) Sdn Bhd (“Sagajuta”) for an indicative price of RM240,000,000.00. The Company also intends to acquire the remaining 40% equity interest in Sagajuta that is not owned by GENCIP on similar terms as agreed between the Company and GENCIP.

Part A – Explanatory Notes Pursuant to FRS 134

A6. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE, OR INCIDENCE (Continue)

The HOA is non-binding and shall be effective from 9 February 2012 (“Effective Date”) and continue to be in full force until the earlier occurrence of the following events:

- I. 10 months from the Effective Date;
- II. Any earlier date to be mutually agreed in writing; or
- III. When superseded by the terms of Definitive Agreement.

Details of the proposed acquisition can be found from the Company’s announcement made on 10 February 2012 and its updates dated 7 March 2012, 10 May 2012, 30 August 2012, 14 November 2012, 7 December 2012 and 7 March 2013 respectively.

- (b) The Company’s announcement dated 17 July 2012 for Proposed Private Placement of up to 70,203,000 new Ordinary Shares of RM0.20 each in the Company, representing approximately ten percent (10%) of the Issued and Paid-up share capital of the Company, to independent third party investor(s) to be identified. Details of the Proposed Private Placement can be found from the Company’s announcement made on 17 July 2012 and its updates on 2 August 2012 and 27 September 2012.
- (c) The Company’s announcement dated 10 August 2012 for Company had on 9 August 2012 entered into a joint-venture agreement (“JVA”) with Keloil Sdn Bhd (“KSB”) to form an unincorporated joint-venture for the purpose of carrying out the business in the oil and gas industry via Keloil-PTT LPG Sdn Bhd (“KPL”) and Erawan LMW Industries Sdn Bhd (“Erawan”) (“Unincorporated JV”). KPL is an indirect subsidiary of KSB and Erawan is an associated company of KSB. Details of the unincorporated JV can be found from the Company’s announcements dated 10 August 2012 and its updates on 14 August 2012 and 6 September 2012.

A7. CHANGES IN ESTIMATES

There was no change in estimates that had a material effect on the current quarter results.

A8. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group’s performance is not subject to seasonal or cyclical fluctuations, except for the timber business the extraction works of which are dependent upon the weather conditions at the place where the forest is located.

Part A – Explanatory Notes Pursuant to FRS 134

A9. DIVIDENDS PAID

No interim ordinary dividend has been paid in the current financial period ended 31 March 2013 (31 March 2012: Nil).

A10. CARRYING AMOUNT OF REVALUED ASSETS

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2012.

A11. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale or repayments of debts and equity securities during the interim financial period, except for as disclosed in Note A16 hereinafter.

A12. CHANGES IN COMPOSITION OF THE GROUP

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

A13. DISCONTINUED OPERATION

There were no existing business segments that can be categorised as discontinued in the current financial quarter.

A14. CAPITAL COMMITMENTS

There were no material changes in capital commitments for the Group since the last annual balance sheet date as at 31 December 2012.

A15. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date as at 31 December 2012.

A16. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current financial quarter.

**PART B – Explanatory Notes Pursuant to Appendix 9B of
the Listing Requirements of Bursa Malaysia Securities Berhad**

B1. PERFORMANCE REVIEW

For the current financial period ended 31 March 2013, the Group's revenue was RM1 million compared to RM0.94 million in the preceding financial period ended 31 March 2012. The differences were mainly due to the following: -

- (1) an increase in revenue from timber logging activities of RM0.15 million,
- (2) a decrease in revenue from property management segment of RM0.07 million,

The Group recorded a loss before tax of approximately RM0.52 million as compared to a loss before tax of approximately RM1.3 million for the corresponding preceding financial period ended 31 March 2012. The differences were mainly due to the following: -

- (1) a decrease in loss of RM0.57 million from investment holding segment mainly due to decrease in administrative and overhead expenses;
- (2) a decrease in the loss from property management segment of RM0.25 million due to lower administrative and overhead expenses recorded during the current financial period.

B2. COMMENT ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION

The Group's recorded a loss before taxation of approximately RM0.52 million for the current quarter as compared to a loss before taxation of approximately RM6.34 million for the quarter ended 31 December 2012. The reasons for the material changes in profit for the two financial quarters are as follows:-

- (1) an increase in revenue of approximately RM5 million recorded in the timber segment during the previous quarter;
- (2) an impairment loss of RM9.65 million recorded in the investment holding segment during the previous quarter.

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

**PART B – Explanatory Notes Pursuant to Appendix 9B of
the Listing Requirements of Bursa Malaysia Securities Berhad**

B3. COMMENTARY ON PROSPECTS

The Directors are of the view that the performance of the Group hinges substantially on the performance of its subsidiaries namely Jernih Makmur Sdn Bhd (Principal activity - logging and selling of round end timber logs) and Consistent Harvest Sdn Bhd (Principal activity - renting of shopping spaces in its shopping complex). Further, the Company, through its subsidiary i.e. Consistent Harvest Sdn Bhd, will be developing a mixed development at its own land during the year. Barring any unforeseen circumstances, the Directors expect that they will be able to achieve better performance of the Group in the coming current year.

B4. PROFIT FORECAST OR PROFIT GUARANTEE

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interests and forecast profit after tax and minority interests and for the shortfall in profit guarantee are not applicable.

B5. INCOME TAX EXPENSE

	3 months ended		3 months ended	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	-	-	-	-
Over/(Under) provision of income tax in prior period	-	-	-	-
Deferred taxation	-	-	-	-
Current provision	-	-	-	-

There was no provision for taxation for the current financial period.

B6. CORPORATE PROPOSALS

There were no corporate proposals announced but not completed as at the date of issuance of this quarterly report, except for as disclosed in note A6 herein.

B7. BORROWINGS

	As at 31.03.2013 RM'000
Secured borrowings: - Payable within one year	3,604

Payable after one year	13,884
	<u>17,488</u>

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

**PART B – Explanatory Notes Pursuant to Appendix 9B of
the Listing Requirements of Bursa Malaysia Securities Berhad**

B8. CHANGES IN MATERIAL LITIGATION

As at 21 May 2013, there were no changes in material litigations, including the status of pending material litigations since the last annual balance sheet date at 31 December 2012.

B9. DIVIDENDS PAYABLE

No interim ordinary dividend has been declared for the financial period ended 31 March 2013 (31 March 2012: Nil).

B10. EARNINGS PER SHARE

	3 months ended		3 months ended	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Profit / (Loss) from continuing operations attributable to ordinary equity holders of the parent (RM'000)	(522)	(1,303)	(522)	(1,303)
Profit / (Loss) from discontinued operations attributable to ordinary equity holders of the parent (RM'000)	-	-	-	-
Profit / (Loss) attributable to ordinary equity holders of the parent (RM'000)	<u>(522)</u>	<u>(1,303)</u>	<u>(522)</u>	<u>(1,303)</u>
Weighted average number of Ordinary Shares in issue ('000)	702,034	702,034	702,034	702,034
Basic earnings per share (sen)	(0.07)	(0.19)	(0.07)	(0.19)
Diluted earnings per share (sen)	(0.07)	(0.19)	(0.07)	(0.19)

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

**PART B – Explanatory Notes Pursuant to Appendix 9B of
the Listing Requirements of Bursa Malaysia Securities Berhad**

B11. DISCLOSURE OF REALISED AND UNREALISED PROFITS / LOSSES

	3 months ended 31.03.2013 RM'000	3 months ended 31.03.2012 RM'000
Total retained profits / (accumulated losses) of the Company and its subsidiaries:		
-Realised	(66,627)	(43,468)
-Unrealised	-	-
Total share of retained profits / (accumulated losses) from associated companies:		
-Realised	-	-
-Unrealised	-	-
Total share of retained profits / (accumulated losses) from jointly controlled entities:		
-Realised	-	-
-Unrealised	-	-
	<hr/>	<hr/>
	(66,627)	(43,468)
Less: Consolidation adjustments	(13,781)	(21,334)
	<hr/>	<hr/>
Total group retained profits / (accumulated losses) as per consolidated accounts	(80,408)	(64,802)

NAIM INDAH CORPORATION BERHAD (19727-P)
(Incorporated in Malaysia)

**PART B – Explanatory Notes Pursuant to Appendix 9B of
the Listing Requirements of Bursa Malaysia Securities Berhad**

B12. DISCLOSURE OF ADDITIONAL INFORMATION

	3 months ended 31.03.2013 RM'000	3 months ended 31.03.2013 RM'000
Interest income	3	3
Other income including investment income	-	-
Interest expenses	(327)	(327)
Depreciation and amortisation	(57)	(57)
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain / (Loss) on disposal of quoted, unquoted investments & properties	-	-
Impairment of assets	-	-
Foreign exchange gain / (loss)	-	-
Gain / (Loss) on derivatives	-	-
Exceptional items (with details) (if any)	-	-

By order of the Board
THAM WAI YING
Company Secretary
MAICSA NO. 7016123

Dated this 30 May 2013