



SIG GASES BERHAD

(Company No.: 875083 - W)

(Incorporated in Malaysia)

Financial Report

For The Six-Month Period Ended

30 June 2013

**Unaudited Condensed Consolidated Statement of Comprehensive Income
For the six-month period ended 30 June 2013**

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	30 June 2013 RM'000	30 June 2012 RM'000	30 June 2013 RM'000	30 June 2012 RM'000
Revenue	16,423	16,189	31,122	30,963
Cost of sales	(11,443)	(11,692)	(22,295)	(22,313)
Gross profit	4,980	4,497	8,827	8,650
Other income	395	(55)	785	43
Selling and administrative expenses	(3,690)	(3,410)	(7,323)	(6,357)
Finance costs	(565)	(382)	(1,107)	(614)
Share of loss of an associate	1	(12)	(24)	(12)
Profit before tax	1,121	638	1,158	1,710
Income tax reversal	266	48	266	135
Profit after tax and total comprehensive income for the period	1,387	686	1,424	1,845
Total comprehensive income attributable to :				
Equity holders of the company	1,387	686	1,424	1,845
Minority interest	-	-	-	-
	1,387	686	1,424	1,845
Earning per share (Sen)				
- Basic	0.92	0.46	0.95	1.23
- Diluted	0.92	0.46	0.95	1.23

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction the accompanying explanatory notes attached to the interim financial statements.



SIG Gases Berhad
(Company No:875083-W)

**Unaudited Condensed Consolidated Statements of Financial Position
As at 30 June 2013**

	Unaudited As at 30 June 2013 RM'000	Audited As at 31 Dec 2012 RM'000
Assets		
Non-current assets		
Property, plant and equipment	119,324	116,207
Intangible assets	346	381
Investment in an associate	4,430	4,454
	<u>124,100</u>	<u>121,042</u>
Current assets		
Inventories	3,578	3,964
Trade and other receivables	22,136	20,631
Cash and bank balances	3,840	6,472
	<u>29,554</u>	<u>31,067</u>
TOTAL ASSETS	<u><u>153,654</u></u>	<u><u>152,109</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	75,000	75,000
Reserves	15,843	15,619
Total equity	<u>90,843</u>	<u>90,619</u>
Non-current liabilities		
Deferred tax liabilities	7,650	7,920
Loans and borrowings	15,703	17,277
	<u>23,353</u>	<u>25,197</u>
Current liabilities		
Trade and other payables	19,756	19,722
Loans and borrowings	19,702	16,571
	<u>39,458</u>	<u>36,293</u>
Total liabilities	<u>62,811</u>	<u>61,490</u>
TOTAL EQUITY AND LIABILITIES	<u><u>153,654</u></u>	<u><u>152,109</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.61	0.60

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**Unaudited Condensed Consolidated Statements of Changes in Equity
As at 30 June 2013**

	Non-distributable Share Capital RM'000	Share Premium RM'000	Distributable Retained Earnings RM'000	Total RM'000
As at 1 January 2013	75,000	6,075	9,544	90,619
Total comprehensive income for the period	-	-	1,424	1,424
Dividend	-	-	(1,200)	(1,200)
As at 30 June 2013	<u>75,000</u>	<u>6,075</u>	<u>9,768</u>	<u>90,843</u>
As at 1 January 2012	75,000	6,075	7,157	88,232
Total comprehensive income for the period	-	-	1,845	1,845
Dividend	-	-	(900)	(900)
As at 30 June 2012	<u>75,000</u>	<u>6,075</u>	<u>8,102</u>	<u>89,177</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**Unaudited Condensed Consolidated Statements of Cash Flows
For the six-month period ended 30 June 2013**

	Six-month period ended	
	30 June	30 June
	2013	2012
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	1,158	1,710
Adjustments for:		
Depreciation	2,695	2,157
Gain on disposal of property, plant and equipment	(411)	(15)
Interest expenses	1,107	614
Interest income	(17)	(78)
Impairment of doubtful debt no longer required	(4)	(1)
Bad debts recovered	(10)	(2)
Share of loss of an associate	24	-
Unrealised foreign exchange (gain)/loss	(23)	122
Written off of property, plant and equipment	28	8
Operation profit before working capital changes	<u>4,547</u>	<u>4,515</u>
Decrease/(increase) in inventories	386	(405)
Increase in receivables	(1,460)	(6,966)
Increase in payable	94	4,772
Cash generated from operating activities	<u>3,567</u>	<u>1,916</u>
Interest paid	(1,107)	(614)
Tax paid	(73)	(61)
Net cash generated from operating activities	<u>2,387</u>	<u>1,241</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,907)	(5,782)
Proceed from disposal of property, plant and equipment	514	19
Interest received	17	78
Investment in associate	-	(4,468)
Net cash used in investing activities	<u>(5,376)</u>	<u>(10,153)</u>
Cash flow from financing activities		
Drawdown of borrowings	1,557	7,521
Dividend	(1,200)	(900)
Net cash generated from financing activities	<u>357</u>	<u>6,621</u>
Net decrease in cash and cash equivalents	<u>(2,632)</u>	<u>(2,291)</u>
Cash and cash equivalents at beginning of financial period	<u>6,472</u>	<u>11,146</u>
Cash and cash equivalents at final of financial period	<u>3,840</u>	<u>8,855</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	<u>3,840</u>	<u>8,855</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE REPORT**PART A -
EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS
("MFRS") 134, INTERIM FINANCIAL REPORTING****A1. Corporate information**

SIG Gases Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements were approved by the Board of Directors on 15 August 2013.

A2. Basis of Preparation

These condensed consolidated interim financial statements, for the **period** ended 30 June 2013, have been prepared in accordance with MFRS 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 Group's annual 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.

A2.1

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31 December 2012 except for the adoption of the following standards which are applicable to its financial statements and effective for annual periods beginning on or after 1 January 2013:

- MFRS 101 Presentation of Items of Other Comprehensive Income (Amendments to MFRS 101)
- MFRS 3 Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)
- MFRS 10 Consolidated Financial Statements
- MFRS 11 Joint Arrangements
- MFRS 12 Disclosure of interests in Other Entities
- MFRS 13 Fair Value Measurement
- MFRS 119 Employee Benefits
- MFRS 127 Separate Financial Statements
- MFRS 128 Investment in Associates and Joint Ventures
- MFRS 127 Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)
- Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 1: First time Adoption of Malaysia Financial Reporting Standards - Government Loan
- Amendments to MFRS 10: Consolidated Financial Statements: Transition Guidance
- Amendments to MFRS 11: Joint Arrangements: Transition Guidance
- Amendments to MFRS 12: Disclosure of Interests in Other Entities: Transition Guidance
- Amendment to MFRSs contained in the document entitled "Annual Improvements 2009-2011 Cycle"

The adoption of the above standards do not have significant financial impact to the Group's consolidated financial statements for the current quarter.

NOTES TO THE REPORT**PART A -
EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS
("MFRS") 134, INTERIM FINANCIAL REPORTING**

(ii) Standards issued but not yet effective

At the date of authorization of these interim financial statements, the followings standards were issued but not yet effective and have not been applied by the Group:

<u>Description</u>		<u>Effective for annual periods beginning on or after</u>
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities	1 January 2014
MFRS 9	Financial Instruments	1 January 2015

The adoption of these standards above will have no material impact on the financial statements in the year of initial adoption.

A3. Auditor's report on preceding annual financial statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2012.

A4. Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

A5. Items of unusual nature

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flow during the financial period ended 30 June 2013.

A6. Material changes in estimates

There were no changes in estimates that have had a material effect in the current quarter results.

A7. Changes in debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial period-to-date.

A8. Dividend paid

A final tax exempt (single-tier) dividend in respect of the financial year ended 31 December 2012 of 1.60% on 150,000,000 ordinary shares of RM0.50 each, amounting to a dividend paid of RM1,200,000.00 (0.80 sen per ordinary share) was paid on 18 June 2013.



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NOTES TO THE REPORT

PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING (CONT'D)

A9. Segment information

The Group is organized into business units based on their products and services, and it has three operating segments as follows

- (1) Manufacturing
- (2) Refilling and Distribution
- (3) Other Products and Services

For the detailed analytical review of the segmental information, please refer to Part B1 and B2 for explanation.

Six-month period ended 30 June 2013

	Manufacturing	Refilling and Distribution	Other Products and Services	Total
	RM'000	RM'000	RM'000	RM'000
REVENUE	14,973	15,396	753	31,122
RESULTS				
Profit for reportable segment	3,197	5,484	146	8,827
Other income				785
Selling and administrative expenses				(7,323)
Finance costs				(1,107)
Share of loss of an associate				(24)
Profit before tax				1,158
Income tax reversal				266
Total comprehensive income				<u>1,424</u>

Six-month period ended 30 June 2012

	Manufacturing	Refilling and Distribution	Other Products and Services	Total
	RM'000	RM'000	RM'000	RM'000
REVENUE	15,941	14,130	892	30,963
RESULTS				
Profit for reportable segment	4,219	4,253	178	8,650
Other income				43
Selling and administrative expenses				(6,357)
Finance costs				(614)
Share of loss of an associate				(12)
Profit before tax				1,710
Income tax reversal				135
Total comprehensive income				<u>1,845</u>



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NOTES TO THE REPORT

PART A - EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL STANDARDS ("MFRS") 134, INTERIM FINANCIAL REPORTING

A10. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current financial period.

A11. Capital commitments

Capital commitment for property, plant and equipment not provided for as at 30 June 2013 are as follows:-

	RM'000
Approved and contracted for	<u>2,580</u>

A12. Property, plant and equipment

The Group acquired property, plant and equipment amounting to RM5.91 million during the current financial period.

A13. Material events subsequent to the end of period reported

The Board of Directors of SIG ("Board"), announced that the Company had, on 29 January 2013, entered into the following heads of agreements in relation to:-

- the proposed acquisition by SIG of the entire issued and paid-up share capital of Sing Swee Bee Enterprise Pte Ltd ("SSBE") comprising 4,600,000 ordinary shares of par value Singapore Dollars One ("SGD 1") each ("SSBE Sale Shares") from Peh Lam Hoh, Ng Swee Gek and Peh Tuan ("SSBE Vendors") for an indicative purchase consideration of RM28,392,000 ("SSBE HOA") ("Proposed SSBE Acquisition"); and

- the proposed acquisition by SIG of the entire issued and paid-up capital of SSB Cryogenic Equipment Pte Ltd ("SSBCE") comprising 3,600,000 ordinary shares of shares of par value SGD 1 each ("SSBCE Sale Shares") from Peh Lam Hoh, Nelty Agustina Susanto, Yue Thye Chun, Lee Soon Thiam, Leong Chin Yew and Ler Zhi Kang ("SSBCE Vendors") for an indicative purchase consideration of RM122,850,000 ("SSBCE HOA") ("Proposed SSBCE Acquisition").

The total purchase consideration of RM151,242,000 for the Proposed SSBE Acquisition and the Proposed SSBCE Acquisition shall be satisfied via a combination of cash and the issuance of new ordinary shares of RM0.50 each in SIG ("SIG Shares") ("Consideration Shares").

On 4 July 2013, The Board has announced that the Company and the Vendors have mutually agreed to terminate the Heads of Agreements ("HOA") in relation to the Proposed Acquisitions.

A14. Changes in composition of the group

The Group has on 25 April 2013, incorporated a Company known as SIG Properties Sdn Bhd ("SPSB") in Malaysia. SIG has 90% direct interest in the capital of SPSB.

On 5 June 2013, SIG has acquired an additional 10% interest in the capital of SPSB which make SPSB a wholly-owned subsidiary of SIG.

The principal activity of SPSB is property development and building contractor.

**PART A -
EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL STANDARDS
("MFRS") 134, INTERIM FINANCIAL REPORTING**

A15. Contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

A16. Cash and cash equivalents

	As at 30 June 2013 RM'000	As at 31 Dec 2012 RM'000
Cash on hand and at banks	3,840	6,472

A17. Profit before tax

Included in the profit before tax are the following items:

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	30 June 2013 RM'000	30 June 2012 RM'000	30 June 2013 RM'000	30 June 2012 RM'000
(a) Interest income	5	27	17	78
(b) Other income/(charges) including investment income	390	(82)	768	(35)
(c) Interest expense	565	382	1,107	614
(d) Depreciation and amortisation	1,366	1,156	2,695	2,157
(e) Provision for and write off of receivables	-	-	-	-
(f) Provision for and write off of inventories	-	-	-	-
(g) (Gain)/loss on disposal of quoted and unquoted investments or properties	-	-	-	-
(h) Impairment of assets	-	-	-	-
(i) Foreign exchange gain/(loss)	9	(121)	42	(99)
(j) (Gain)/loss on derivatives	-	-	-	-
(k) Exceptional items	-	-	-	-

A18. Significant related party transactions

The Group had the following transactions during the current financial year with related parties in which certain directors of the Company have substantial financial interest:-

Nature of transactions	Transactions during the current financial quarter RM'000	Transactions Year-to-date RM'000	Balance outstanding as at 30-June-2013 RM'000
Purchase of refrigerants, cylinders, valves, liquid oxygen, liquid nitrogen, liquid argon, liquid carbon dioxide, specialty gases and overdue interest from companies in which the Company's director, Peh Lam Hoh has substantial financial interest	2,807	5,577	7,915
Sales of industrial gases and equipment to companies in which the Company's director, Peh Lam Hoh has substantial financial interest	15	101	95



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NOTES TO THE REPORT

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

B1. Review Of Performance Of The Group

Current Quarter 3 month ended 30 June 2013 vs. Preceding year corresponding Quarter 3 month ended 30 June 2012

The revenue of the Group for the current quarter was RM16.42M. The revenue increased by RM0.23M or 1.45% as compared to preceding year's corresponding quarter. The increase was mainly due to increase in delivery services by RM0.87M and increase in cylinder sales by RM0.59M. The revenue from manufacturing of industrial gases decreased by RM0.32M or 3.91% due to decrease in manufacturing sales of oxygen, nitrogen and acetylene by RM0.47M, RM0.34M and RM0.15M respectively. Nevertheless, such decrease was mitigated by an increase in sales of mixed gases by RM0.29M. The revenue from refilling and distribution of industrial gases had decreased. This was mainly due to the decrease in the sales of refrigerant products by RM0.31M.

The Gross profit of the Group for the current quarter was RM4.98M which increased by RM0.48M or 10.74% as compared to that of the preceding year's corresponding quarter.

The Gross profit margin increased from 27.78% to 30.32%, which is principally attributable to the decrease in liquid argon purchase cost and trucking charges by RM0.18M and RM0.20M respectively.

The selling and administrative expenses increased by RM0.28M, due to higher transportation expenses, salary related expenses and depreciation. The Group's Profit Before Tax was reported at RM1.12M for the current quarter which is RM0.48M higher as compared to that of preceding year. The increase in Profit Before Tax is mainly due to increase in Gross Profit by RM0.48M.

The Group's Profit After Tax was reported at RM1.39M for the current quarter which is RM0.70M higher as compared to that of preceding year due to the increase in reversal of deferred tax liabilities by RM0.22M.

Current year to date 30 June 2013 vs. Preceding year to date 30 June 2012

The revenue of the Group for the period ended 30 June 2013 was RM31.12M. The revenue has increased by RM0.16M or 0.51% as compared to the same period in year 2012. The increase in revenue was mainly due to increase in delivery services by RM1.44M, increase in cylinder sales by RM0.93M and project sales by RM0.36M. However, there were decreases in manufacturing of industrial gases and refilling and distribution of industrial gases by RM0.97M or 6.07% and RM0.17M or 1.43% respectively. The decrease in manufacturing of industrial gases mainly came from oxygen, nitrogen and acetylene by RM0.65M, RM0.84M and RM0.58M respectively. Nevertheless, such decrease was mitigated by an increase in mixed gases by RM0.32M. The decrease in refilling and distribution of industrial gases mainly due to decrease in sales of Carbon Dioxide by RM0.17M.

The Gross Profit of the Group for the period ended 30 June 2013 was RM8.83M. The Gross Profit has increased by RM0.18M or 2.05% as compared to the same period in year 2012.

The gross profit margin has increase from 27.94% to 28.36%, which is mainly due to decrease in liquid argon purchase cost and trucking cost by RM0.21M and RM0.14M respectively.

Nevertheless, the selling and administrative expenses increased by RM0.97M which was mainly due to higher transportation expenses, salary related expenses, depreciation, security expenses, and insurance.

The Group's Profit After Tax was RM1.42M for the current quarter to date which is RM0.42M or 22.82% lower as compared to the corresponding period in year 2012. The Profit Before Tax has decreased by RM0.55M mainly due to increase in finance costs by RM0.49M compare with the corresponding period in year 2012.



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B2. Material Changes In The Quarterly Results Compared To The Results Of The Preceding Quarter

The revenue of the Group for the current quarter has increased by RM1.72M or 11.73% as compared to that of the preceding quarter. The increase is mainly due to increase in revenue from manufacturing of industrial gases and refilling and distribution of industrial gases by RM0.85M or 12.08% and RM0.33M or 5.74%. The revenue from cylinder and delivery services increased by RM0.48M or 29.45%. The increase in revenue from manufacturing of industrial gases mainly due to increase in sales of oxygen, nitrogen and acetylene by RM0.06M, RM0.41M and RM0.26M respectively. The increase in revenue from refilling and distribution of industrial gases came from refrigerant products by RM0.30M or 24.25%. The increase in sales of cylinder and delivery services come from cylinder sales by RM0.29M or 80%.

The Gross profit increased by RM1.13M or 29.45% to RM4.98M. The Gross profit margin increased from 26.17% to 30.32% as compared to that of the preceding year's quarter. The Gross Profit Margin increased mainly due to increase in sales by RM1.72M and also decrease in liquid argon purchase cost, trucking charges, upkeep of plant & machinery by RM0.18M, RM0.05M and RM0.10M.

The selling and administrative expenses has increased by RM0.06M which is mainly due to increase in tank rental and salary related expenses. Nevertheless, such increase was mitigated by the decrease in security expenses and insurance.

The Group's Profit Before Tax increased from RM0.04M in preceding quarter to RM1.12M in the current quarter. The increase in Profit Before Tax is mainly due to increase in Gross Profit by RM1.13M. The Group's Profit After Tax increased from RM0.04M in the preceding quarter to RM1.39M in the current quarter is mainly due to recognition of deferred tax assets by RM0.27M arising from Reinvestment Allowance and unabsorbed Capital Allowance in preceding quarter and higher profit before tax.



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NOTES TO THE REPORT

B3. Current Year Prospects

The directors of the Group expect that the Group's revenue will increase due to anticipated sales from the commencement of the operations of new facilities at Bintulu Sarawak ,Gebeng Pahang and Melaka during the year.

B4. Profit Forecast And Profit Estimate

The Group did not issue any profit forecast or profit estimate previously in any public document.

B5. Income Tax Expense

	Current Quarter 3 months ended 30 June 13 RM'000	Current financial year to date 30 June 13 RM'000
In respect of the current period		
- Income tax	-	-
- Deferred tax	(266)	(266)
	<u>(266)</u>	<u>(266)</u>

NOTES TO THE REPORT

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF

B6. Status of Corporate Proposals

The Public Issue of 49.2 million and Offer For Sales of 3 million ordinary shares of RM0.50 each in the Company at an issue price of RM0.58 had all been fully subscribed and the entire share capital of the Company of 150 million ordinary shares were listed on the Main Board of Bursa Malaysia Securities Berhad on 9 August 2010. The Company raised RM28.54 million from the public issue and the utilization of proceeds as at 9 August 2013 (the latest practicable date not earlier than seven (7) days from the date of issue of this report) is as follows:

No.	Description	Estimated timeframe for utilisations upon Listing	Proposed Utilisations (RM'000)	Amendment 1 (RM'000)	Amendment 2 (RM'000)	Actual Utilisations (RM'000)	Reclassification (RM'000)	Balances to be utilised	
								(RM'000)	%
1	Purchase of land and building its facilities	30 months							
1.1	Sarawak - Samalaju Industrial Park		9,736	(2,500)	(2,690)	(1,590)		2,956	65%
1.2	Sarawak - Kemena Industrial Park, Bintulu		-	2,500		(2,500)		-	0%
1.3	Kuantan*		2,500		1,250	(3,788)	667	629	17%
1.4	Melaka		2,500		1,440	(3,828)		112	3%
			14,736	-	-	(11,706)	667	3,697	25%
2	Purchase of property, plant & equipment	12 months							
2.1	Cylinders		5,400			(5,400)		-	0%
2.2	Hydrogen long tube		1,000			(1,000)		-	0%
			6,400	-	-	(6,400)	-	-	0%
3	Repayment of term loan	12 months	4,200			(4,200)		-	0%
4	Listing expenses*	Immediately	3,200			(2,533)	(667)	-	0%
	Total		28,536	-	-	(24,839)	-	3,697	13%

The gross proceeds arising from the Offer for Sale, net of the relevant fees, accrued entirely to the Offeror and no part of the proceeds was received by the Company.

* The excess of provision for Listing expenses of RM0.67 Million will be utilized in the purchase of land and building and its facilities as indicated in Section 2.8 (iv) of the Prospectus.

NOTES TO THE REPORT**PART B –
ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA
MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B) (CONT'D)****B7. Group Borrowing and Debts Securities**

The Group's borrowings and debts securities as at 30 June 2013 are as follows:

	RM'000
Long term borrowings	
<u>Secured:</u>	
Obligation under finance lease	1,438
Term loans	14,265
	<u>15,703</u>
Short term borrowings	
<u>Secured</u>	
Obligation under finance lease	1,591
Bankers acceptance and revolving credit	12,269
Term loans	5,824
Leasing creditors	18
	<u>19,702</u>
 Total	 <u><u>35,405</u></u>

B8. Breakdown of realised and unrealised profits or losses of the Group

	At end of current quarter 30 June 2013 RM'000	At end of preceding quarter 31 March 2013 RM'000
Realised Profits	14,002	14,073
Unrealised losses	(4,185)	(4,478)
Total retained profits	<u>9,817</u>	<u>9,595</u>
Associated company - Realised	<u>(49)</u>	<u>(51)</u>
	9,768	9,544
Less: Consolidations adjustments	-	-
Retained profits as per statement of financial position	<u><u>9,768</u></u>	<u><u>9,544</u></u>

B9. Material Litigation

There were no material litigation as at the date of issuance of this quarterly report.

B10. Dividends

No interim dividend has been declared during the current quarter.

B11. Earnings Per Share

Basic earnings per share are calculated based on total number of 150,000,000 ordinary shares in issue and profit attributable to equity holders of the Group. There is no dilutive effect.