

**KOBAY TECHNOLOGY BHD. (Co. No. 308279-A)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013**

**(The figures have not been audited)**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 31/12/2013 RM '000	Preceding Year Corresponding quarter ended 31/12/2012 RM '000	Current Year todate 31/12/2013 RM '000	Preceding Year Corresponding period 31/12/2012 RM '000
Revenue	22,525	20,573	48,488	47,206
Cost of sales	(16,576)	(16,712)	(36,880)	(37,932)
Gross profit	5,948	3,861	11,607	9,274
Operating expenses	(4,510)	(4,550)	(9,261)	(8,930)
Finance cost	(37)	-	(74)	(2)
Other income	2,172	851	2,679	1,679
Profit before tax	3,573	162	4,951	2,021
Tax expense	(428)	(235)	(837)	(850)
Profit for the period	3,145	(73)	4,114	1,171
Other comprehensive (loss)/income :-				
Available-for-sale financial assets	(20)	99	(133)	102
Currency translation differences for foreign operations	62	(272)	132	440
Reclassification adjustment on :-				
Derecognition of available-for-sale financial assets	-	(198)	-	(220)
Impairment of available-for-sale financial assets	-	-	-	47
Total comprehensive income for the period	3,187	(444)	4,113	1,540
Profit for the period attributable to :-				
Owners of the parent	3,255	(159)	3,979	(12)
Non-controlling interest	(111)	86	134	1,183
	3,145	(73)	4,114	1,171
Total comprehensive income attributable to :				
Owners of the parent	3,276	(490)	3,957	80
Non-controlling interest	(89)	46	156	1,460
	3,187	(444)	4,113	1,540
Basic/diluted earning per share (sen)	4.83	(0.24)	5.91	(0.02)

**(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30<sup>th</sup> June 2013)**

**KOBAY TECHNOLOGY BHD.**  
(Co. No. 308279-A)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013**

	(Unaudited) As at current financial period 31/12/2013 RM '000	(Audited) As at preceding financial period 30/06/2013 RM '000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	64,543	63,271
Land held for property development	13,204	13,241
Available-for-sale financial assets	1,892	-
Intangible assets	238	227
	79,876	76,739
<b>Current Assets</b>		
Inventories	10,930	10,255
Trade and other receivables	21,094	20,466
Financial assets at fair value through profit or loss	-	39
Tax assets	502	1,661
Cash & cash equivalents	34,276	34,287
	66,802	66,708
<b>Total Assets</b>	146,678	143,447
<b>Equity</b>		
Share capital	68,081	68,081
Reserves		
Treasury shares	(888)	(888)
Share premium	1,680	1,680
Legal reserve	203	203
Fair value reserve	(133)	-
Currency translation reserve	1,074	963
Retained profits	52,268	48,289
	54,204	50,247
Equity attributable to owners of the Company	122,285	118,328
Non-controlling interests	1,553	1,677
<b>Total Equity</b>	123,838	120,005
<b>Non-Current Liabilities</b>		
Loans and borrowings	2,629	2,314
Deferred income on government grant	21	41
Deferred tax liabilities	3,951	3,711
	6,601	6,066
<b>Current Liabilities</b>		
Trade and other payables	15,086	16,642
Financial liabilities at fair value through profit or loss	-	-
Loans and borrowings	639	640
Tax liabilities	514	94
	16,239	17,376
<b>Total Liabilities</b>	22,840	23,442
<b>Total Equity and Liabilities</b>	146,678	143,447
Net assets per ordinary share attributable to owners of the Parent(RM)	1.82	1.76

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30<sup>th</sup> June 2013)**

**KOBAY TECHNOLOGY BHD.**

(Co. No. 308279-A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2013**

Group	Attributable to owners of the Parent						Distributable	Sub-total	Non-controlling Interest	Total Equity
	Share capital	Treasury shares	Share premium	Fair Value reserve	Legal reserve	Translation reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 1 July, 2013</b>	68,081	(888)	1,680	-	203	963	48,289	118,328	1,677	120,005
Total comprehensive income for the period	-	-	-	(133)	-	111	3,979	3,957	156	4,113
Dividends to non-controlling interest	-	-	-	-	-	-	-	-	(313)	(313)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	33	33
<b>Balance as at 31 December, 2013</b>	<b>68,081</b>	<b>(888)</b>	<b>1,680</b>	<b>(133)</b>	<b>203</b>	<b>1,074</b>	<b>52,268</b>	<b>122,285</b>	<b>1,553</b>	<b>123,838</b>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012**

Group	Attributable to owners of the Parent						Distributable	Sub-total	Non-controlling Interest	Total Equity
	Share capital	Treasury shares	Share premium	Fair Value reserve	Legal reserve	Translation reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 1 July, 2012</b>	68,081	(888)	1,680	82	108	222	39,920	109,205	40,551	149,756
Total comprehensive income for the period	-	-	-	(71)	-	163	(12)	80	1,460	1,540
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(60)	(60)
Changes in ownership interests in subsidiaries	-	-	-	-	96	440	8,918	9,454	(39,878)	(30,424)
<b>Balance as at 31 December, 2012</b>	<b>68,081</b>	<b>(888)</b>	<b>1,680</b>	<b>11</b>	<b>204</b>	<b>825</b>	<b>48,826</b>	<b>118,739</b>	<b>2,073</b>	<b>120,812</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30<sup>th</sup> June 2013)

**KOBAY TECHNOLOGY BHD.**

(Co. No. 308279-A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2013**

	(Unaudited) Period Ended 31/12/2013 RM '000	(Unaudited) Period Ended 31/12/2012 RM '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax :	4,951	2,021
Adjustments for:		
- Non-cash items	2,641	2,905
- Non-operating items	(186)	(1,272)
Operating profit before changes in working capital	7,406	3,654
Changes in working capital:		
- Net change in current assets	(1,303)	6,320
- Net change in current liabilities	(529)	(2,847)
Net cash generated from operating activities	5,574	7,127
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of shares from Non-controlling interest	-	(29,484)
Issue of shares to Non-controlling interest	33	-
Interest received	375	638
Purchase of available-for-sales financial assets	(2,025)	232
Purchase of land held for property development	-	(2)
Purchase of property, plant and equipment	(4,141)	(3,052)
Proceeds from disposal of property, plant and equipment	69	-
Net cash used in investing activities	(5,689)	(31,668)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to Non-controlling interest	(313)	(60)
Interest paid	(74)	(2)
Increase/(Decrease) in loans and borrowings	314	(214)
Net cash used in financing activities	(73)	(276)
Currency translation differences	177	(591)
Net Change in Cash & Cash Equivalents	(11)	(25,408)
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	33,869	58,260
<b>CASH &amp; CASH EQUIVALENTS AS AT END OF THE PERIOD</b>	33,858	32,852
<b>CASH &amp; CASH EQUIVALENTS AS AT END OF THE PERIOD</b>		
Highly Liquid Investments	15,889	2,053
Deposits not pledged	6,427	20,413
Cash & bank balances	11,542	10,386
	33,858	32,852

# Note: Deposits amounting to RM418,339 (31.12.2012: RM386,721) have been pledged to local banks for bank guarantee facilities obtained by the Group as at 31 December 2013. As such, these amounts are not included as cash and cash equivalents as at the aforementioned dates.

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30<sup>th</sup> June 2013)**

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**A. Notes to the financial report for the second financial quarter ended 31 December 2013**

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**1. Basis of preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards ("FRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30<sup>th</sup> June 2013.

The auditors' report on the financial statements of the Group for the financial year ended 30<sup>th</sup> June 2013 was not subject to any qualification.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 30<sup>th</sup> June 2013 except for the adoption of the following Financial Reporting Standards ("FRS") and Amendments to FRSs :-

FRS 10 *Consolidated Financial Statements*

FRS 11 *Joint Arrangements*

FRS12 *Disclosure of Interest in Other Entities*

FRS 13 *Fair Value Measurement*

FRS 119 *Employees Benefits* (amended in 2011)

FRS 127 *Separate Financial Statements* (amended in 2011)

FRS 128 *Investments in Associates and Joint Ventures* (amended in 2011)

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

Amendments to FRS 1 *Government Loans*

Amendments to FRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities*

Amendments to FRS 10, FRS 11 and FRS 12 *Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*

*Amendments to FRSs* contained in the document entitled "Improvements to FRSs (2012)"

The adoption of the above amended/revised FRSs did not have any significant impact on the Group's consolidated financial statements of the current quarter or the comparative financial statement.

In November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") framework. The issuance was made in conjunction with the MASB's plan to converge with International Financial Reporting Standards ("IFRS") in 2012. The MFRS framework is a fully IFRS-compliant framework and equivalent to IFRSs.

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* and/or IC Interpretation 15 *Agreements for Construction of Real Estate*, including their parents, significant investors and venturers ("Transitioning Entities").

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Transitioning Entities are allowed to continue applying the FRS framework for annual periods beginning on or after 1 January 2015.

Being a Transitioning Entity as defined above, the Group and the Company have elected to defer the adoption of the MFRS framework to the financial year ending 30 June 2016. Management is currently examining the financial impacts of transition to the MFRS framework.

### **2. Seasonal or cyclical operations**

The business operations of the Group are subject to cyclical effects of the global semiconductors and electronics industries.

### **3. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that unusual because of their nature, size or incidence**

There were no other events affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence during the current quarter under review.

### **4. Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year, which give a material effect in the current interim period**

There were no significant changes in estimates of amounts reported in prior interim periods of the current financial year or prior years, that have a material effect in the current quarter.

### **5. Issuance, cancellations, repurchases, resale or repayments of debts and equity securities**

There were no issuance, cancellations, repurchase, resale and repayments of debts and equity securities for the current financial quarter.

### **6. Dividend Paid**

There were no dividend paid for the quarter and financial period under review (31.12.2012 : Nil)

### **7. Segment Information**

For management purposes, the Group is organised into business units based on their products and services.

The Group's reportable operating segments are as follows:

- a) Precision Tooling & Equipment – Manufacture of precision molds, tooling & dies, design & manufacture of automated machines, semiconductor assembly and testing equipment.
- b) Precision Metal Components – Manufacture of precision machined components, precision stamping, sheet metal parts and surface treatment.
- c) Metal Fabrication – Manufacture of metal works and structures, modules and parts for oil and gas production and extraction equipment.
- d) Property Development – Property development
- e) Other operating segments – Include small operations related to food & beverage business, money lending, general trading and hotel operation.

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Current Period ended 31/12/2013	Precision Tooling & Equipment	Precision Metal Components	Metal Fabrication	Property Development	Other Operating Segments	Unallocated Non-Operating Segments	Eliminations	Total
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue from external customer	8,307	33,012	6,634	-	419	115	-	48,488
Intersegment revenue	78	-	-	-	-	826	(904)	-
Interest income	20	38	18	-	-	299	-	375
Interest expense	-	74	-	-	19	-	(19)	74
Depreciation and amortisation	178	1,952	381	-	122	142	-	2,775
Tax expense	86	725	-	-	-	27	-	837
Reportable segment profit/(loss) after taxation	252	2,582	516	(7)	1,420	303	(953)	4,114
Reportable segment assets	11,302	54,162	15,354	19,723	19,839	93,261	(66,963)	146,678
Expenditure for non-current assets	54	3,831	233	-	18	5	-	4,141
Reportable segment liabilities	4,071	20,090	1,341	4,810	5,064	3,005	(15,541)	22,840

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Corresponding Period ended 31/12/2012	Precision Tooling & Equipment	Precision Metal Components	Metal Fabrication	Property Development	Other Operating Segments	Unallocated Non-Operating Segments	Eliminations	Total
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue from external customer	12,750	26,232	7,599	12	498	115	-	47,206
Intersegment revenue	45	500	17	-	-	599	(1,161)	-
Interest income	18	270	12	-	-	338	-	638
Interest expense	-	2	141	-	-	-	(141)	2
Depreciation and amortisation	201	1,878	371	-	120	144	-	2,714
Tax expense	241	581	-	-	-	28	-	850
Reportable segment profit/(loss) after taxation	911	1,385	(899)	9	(165)	33	(103)	1,171
Reportable segment assets	13,681	58,892	16,680	13,652	6,502	94,747	(65,478)	138,676
Expenditure for non-current assets	35	2,801	197	-	18	1	-	3,052
Reportable segment liabilities	5,159	16,197	1,757	3,372	4,111	4,785	(17,516)	17,865

**Segment information by geographical regions**

The following is an analysis of Group's revenue by geographical market, irrespective of the origin of the goods/services :

	31.12.2013 (RM'000)	31.12.2012 (RM'000)
Malaysia	28,103	26,517
China	3,442	2,810
Singapore	5,217	11,309
Europe	179	926
United Kingdom	2,061	732
United States of America	6,709	3,402
Other Asia Pacific Countries	2,777	1,510
<b>Total</b>	<b>48,488</b>	<b>47,206</b>

**Information about major customer**

Revenue from a customer of Precision Metal Components segment contributed approximately RM4.94 million (10.2%) of the total Group's revenues.



## **8. Valuation of property, plant and equipment**

The valuation of property, plant and equipment has been brought forward without any amendment from the previous annual report.

## **9. Subsequent events**

There were no other material events subsequent to the end of the reporting financial period.

## **10. Changes in the composition of the group**

On 26 December 2013, the Company has subscribed for 70% equity interest in Wirama Progresif Sdn Bhd ("Wirama") for a cash consideration of RM7,000.00.

On the even date, Kobay Systems Sdn Bhd ("KSys"), a 100% owned subsidiary, issued 9,998 new ordinary shares of RM1/= , and the Company has subscribed for 6,998 shares for a cash consideration of RM6,998. After the allotment, the Company's equity interest was diluted from 100% to 70%.

Other than the above, there were no major changes in the composition of the Group during the financial period ended 31<sup>st</sup> December 2013.

## **11. Contingent assets and contingent liabilities**

There were no contingent assets or liabilities as at the date of the report. (31.12.2012: RM Nil).

## **12. Material related party transaction**

There was no material transaction entered by the group with any related party.

## **13. Capital Commitments**

Authorised capital commitments not recognized in the interim financial statement as at 31<sup>st</sup> December 2013 are as follows :-

Property, plant & equipment	RM'000
Contracted	16,741
Not contracted	1,541
<b>Total</b>	<b>18,282</b>

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## **B. Additional information required by the Listing Requirements of Bursa Securities**

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### **1. Review of performance**

For the quarter under review, the Group recorded revenue of RM22.52 million, with a profit after tax of RM3.14 million as compared to loss after tax of RM0.07 million in the preceding year corresponding quarter.

Driven by the higher incoming orders from the past quarters, the precision metal components segment has shown an encouraging growth for the period under review by reported a profit after tax of RM2.58 million compared to preceding year corresponding quarter of RM1.38 million.

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Following the merging of operations to Johor Plant, the metal fabrication segment has operated in a more efficient manner where the segment has profitably generated positive results of RM0.51 million as compared to loss making of RM0.89 million in preceding year corresponding quarter.

The precision tooling & equipment segment still does not relief from the downturn in semiconductor business. Performance continued to shrink to breakeven level at current quarter.

Aside the contribution from manufacturing segments, the money lending business has successfully recovered a bad debt of RM1.43 million during the quarter under review.

### **2. Comparison with preceding quarter's results**

The Group reported a profit after tax of RM3.14 million as compared to RM0.96 million in preceding quarter.

The precision metal components segment has shown steady growth due to higher demand for its precision machining parts.

The metal fabrication segment continued to improve its productivity during the quarter where it has shown better results compared to preceding quarters.

Apart from the contribution from manufacturing segments, the money lending business under other operating segments has contributed RM1.43 million profits from debt recovered from a default loan debtor.

### **3. Commentary on the prospects of the Group**

The Group foresees that the performance for the coming quarters remain challenging but with room for improvement as compared to last financial year.

The precision metal component segment is expected to sustain its earnings momentum with its high effort in business development activities to bring in high value products and improved overseas demand. For China operations, in view of its unsatisfactory performance, the management will continue to implement cost control measure.

The metal fabrication segment is expected to be profitable by controlling cost and further enhancing operational efficiency and productivity

Precision tooling & equipment segment operations will be stagnant at current level, the operational will not get relief soon with the downturn of semiconductor industry.

Overall, the Group will continue its conservative stance in working capital management and adhere to stringent cost control, apart from tackling the underperformed business segments.

### **4. Variance on forecast profit/profit guarantee**

No profit forecast or profit guarantee was issued during the period.

**KOBAY TECHNOLOGY BHD (Co. No. 308279-A)****5. Profit for the period**

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	Current Year quarter ended 31/12/2013	Preceding Year Corresponding quarter ended 31/12/2012	Current Year todate 31/12/2013	Preceding Corresponding Period 31/12/2012
<b>Group</b>	RM'000	RM'000	RM '000	RM '000
Profit for the period is arrived at after (crediting)/charging :-				
Interest income	(194)	(240)	(375)	(638)
Interest expenses	37	-	74	2
Depreciation of property, plant and equipment	1,425	1,284	2,775	2,714
Inventories written down	-	112	-	112
(Gain)/Loss on disposal of property, plant and equipment	(104)	(113)	(116)	(113)
(Gain)/Loss on forex	(143)	207	(276)	207
Loss on derivatives	51	-	51	-
Bad debts recovered	(1,443)	-	(1,443)	-
Impairment loss on available for sales Financial assets	-	-	-	47
Property, plant and equipment written off	-	116	4	116

Save as disclosed above, other items as required under Appendix 9B, Part A (16) of the Bursa Listing Requirements are not applicable.

**6. Taxation**

Taxation comprises the following:-

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 31/12/2013  RM '000	Preceding Year Corresponding quarter ended 31/12/2012  RM '000	Current Year to date 31/12/2013  RM '000	Preceding Year Corresponding Period 31/12/2012  RM '000
Current tax	(227)	(235)	(597)	(831)
Deferred tax	(201)	-	(240)	(19)
	<b>(428)</b>	<b>(235)</b>	<b>(837)</b>	<b>(850)</b>

The effective tax rates for the period are lower than the statutory tax rate mainly due to set off of unabsorbed losses of certain subsidiaries.

**7. Status of corporate proposals**

There were no corporate proposals announced as at the date of this interim report but pending completion.

**8. Group borrowings and debts securities**

Particular of the loan and borrowing for the Group as at 31<sup>st</sup> December 2013:-

<b><u>Short Term Loan &amp; Borrowing</u></b>	Total Loan And Borrowing (RM'000) 31/12/2013	Total Loan And Borrowing (RM'000) 31/12/2012
Repayable within 12 months	639	-
Repayable more than 12 months	2,629	-
<b>Total</b>	<b>3,268</b>	<b>-</b>

**9. Derivative Financial Instrument**

There were no derivative financial instruments as at the date of this quarterly report.

**10. Gain and losses arising from Fair Value Changes of Financial Liabilities**

There were no gain and losses arising from fair value changes of financial liabilities for the current quarter and current financial year to date.

**11. Breakdown of realised and unrealised profits or losses of the Group**

	31/12/2013 RM'000	31/12/2012 RM'000
<i>Total retained profits of the Company and its subsidiaries</i>		
Realised	55,248	52,073
Unrealised	(3,951)	(3,647)
	51,297	48,426
Consolidation adjustments and eliminations	971	400
	<b>52,268</b>	<b>48,826</b>

**12. Material litigation**

On 2<sup>nd</sup> November 2012, Kewjaya Sdn Bhd ("Kewjaya", the "Plaintiff"), a subsidiary of the Company, had served a Bankruptcy Notice to a default loan guarantor for the default loan of RM2.0 million and interests thereof. The loan guarantor's application to set aside the bankruptcy notice was dismissed by the court on 05<sup>th</sup> August 2013. The loan guarantor has filed in his appeals but the appeal was dismissed by the Court on 15<sup>th</sup> January 2014. The case management for the creditor petition is fixed on 20<sup>th</sup> February 2014.

**13. Dividend**

The Board of Directors do not recommend any dividend for the financial quarter ended 31<sup>st</sup> December 2013 (31.12.2012 : Nil).

**14. Earnings Per Share ("EPS")**

Basic earning per share

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 31/12/2013	Preceding Year Corresponding quarter ended 31/12/2012	Current Year to date 31/12/2013	Preceding Year Corresponding Period 31/12/2012
	RM '000	RM '000	RM '000	RM '000
Profit attributable to ordinary equity holders of the parent	3,255	(159)	3,979	(12)
Weighted average				
- Issued ordinary shares at beginning of period	68,081	68,081	68,081	68,081
- Effect of Shares Buy Back	(728)	(728)	(728)	(728)
	<b>67,353</b>	<b>67,353</b>	<b>67,353</b>	<b>67,353</b>

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Earning per share (sen)

<b>Basic/diluted</b>	<u>4.83</u>	<u>(0.24)</u>	<u>5.91</u>	<u>(0.02)</u>
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The Group has no dilution in its earnings per ordinary share in the quarter under review and financial year to date as there are no dilutive potential ordinary shares.

### 15. Provision for Financial Assistance

Pursuant to Paragraph 8.23 and 10.08 of the Listing Requirements and Practice Note No. 11/2001 of the Bursa Malaysia Securities Berhad, the followings are the financial assistance provided by the Group as at 31<sup>st</sup> December 2013:

	As at 31/12/2013 RM'000
Loan given by a licensed money lending company within the Group to third parties	<u>9</u>

The provision of the financial assistance does not have any effect on the issued and paid-up capital and substantial shareholders' shareholding of the Company and does not have any material impact on the net assets, net tangible assets, earnings and gearing of the Group.

### 16. Audit report of preceding annual financial statements

The Group's audited financial statements for the year ended 30<sup>th</sup> June 2013 were reported without any qualification.