

**NAKAMICHI CORPORATION BERHAD**  
**(Company No: 301384-H)**  
**(Incorporated in Malaysia)**

**QUARTERLY UNAUDITED FINANCIAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

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**Nakamichi Corporation Berhad**  
**Condensed unaudited consolidated statements of comprehensive income for the year ended 31 December 2012**

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current year quarter 31.12.2012 RM'000	Preceding year corresponding quarter 31.12.2011 RM'000	Current year to-date 31.12.2012 RM'000	Preceding year corresponding period 31.12.2011 RM'000
<b>Revenue</b>	1,524	3,600	9,973	18,184
Operating expenses	(2,636)	(9,564)	(11,812)	(22,502)
Other operating (loss)/income	-	-	(26)	4,579
<b>(Loss)/Profit from operations</b>	(1,113)	(5,964)	(1,865)	261
Interest income	-	-	15	-
Finance costs	(43)	(238)	(745)	(1,000)
<b>(Loss)/Profit before taxation</b>	(1,156)	(6,202)	(2,595)	(739)
Tax expense	173	(406)	(281)	(1,375)
<b>(Loss)/Profit for the period</b>	(983)	(6,608)	(2,876)	(2,114)
<b>Other comprehensive loss, net of tax</b>				
- Foreign currency translation differences for foreign operations	-	29	-	20
<b>Total comprehensive (loss)/profit for the period</b>	(983)	(6,579)	(2,876)	(2,094)
<b>Loss/Profit attributable to:</b>				
Owners of the Company	(724)	(6,805)	(2,836)	(3,643)
Non-controlling interests	(259)	197	(40)	1,529
<b>(Loss)/profit for the period</b>	(983)	(6,608)	(2,876)	(2,114)
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the Company	(724)	(6,776)	(2,836)	(3,623)
Non-controlling interests	(259)	197	(40)	1,529
<b>Total comprehensive profit/(loss) for the period</b>	(983)	(6,579)	(2,876)	(2,094)
Basic loss per per ordinary share (sen)	(1.31)	(12.28)	(5.12)	(6.57)
Diluted earnings per ordinary share (sen)	N/A	N/A	N/A	N/A

**(The condensed unaudited consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011)**

**Nakamichi Corporation Berhad**

**Condensed unaudited consolidated statement of financial position as at 31 December 2012**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As at current financial year end</b>	<b>As at preceding financial year end</b>
	<b>31.12.2012</b>	<b>31.12.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non current assets</b>		
Property, plant and equipment	1,081	1,279
Intangible asset	96,298	98,023
<b>Total non current assets</b>	<u>97,379</u>	<u>99,302</u>
<b>Current assets</b>		
Assets held for sale	-	18,300
Receivables, deposits and prepayments	3,110	2,482
Inventories	5,318	2,688
Cash and cash equivalents	216	5
<b>Total current assets</b>	<u>8,644</u>	<u>23,475</u>
<b>TOTAL ASSETS</b>	<u>106,023</u>	<u>122,777</u>
<b>Equity attributable to owners of the Company</b>		
Share capital	55,410	55,410
Reserves	(29,319)	(26,483)
	26,091	28,927
Non-controlling interests	36,418	38,663
<b>Total equity</b>	<u>62,509</u>	<u>67,590</u>
<b>Long term and deferred liabilities</b>		
Borrowings	139	336
Deferred tax liabilities	24,152	24,563
<b>Total long term and deferred liabilities</b>	<u>24,291</u>	<u>24,899</u>
<b>Current liabilities</b>		
Payables and accruals	14,292	24,603
Tax liabilities	4,709	5,188
Borrowings	222	497
<b>Total current liabilities</b>	<u>19,223</u>	<u>30,288</u>
<b>Total liabilities</b>	<u>43,514</u>	<u>55,187</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>106,023</u>	<u>122,777</u>
Net assets per share attributable to owners of the Company (RM)	0.47	0.52

**(The condensed unaudited consolidated statement of financial position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011)**

**Nakamichi Corporation Berhad**  
**Condensed unaudited consolidated statements of changes in equity for the year ended 31 December 2012**

	← Attributable to owners of the Company →				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Foreign currency translation reserves RM'000	Accumulated losses RM'000			
At 1 January 2012	55,410	38,452	-	(64,935)	28,927	38,663	67,590
<b>Total comprehensive (loss)/income for the financial year</b>	-	-	-	(2,836)	(2,836)	(40)	(2,876)
<b>Transactions with non-owners:</b>							
Dividends	-	-	-	-	-	(2,205)	(2,205)
<b>At 31 December 2012</b>	<b>55,410</b>	<b>38,452</b>	<b>-</b>	<b>(67,771)</b>	<b>26,091</b>	<b>36,418</b>	<b>62,509</b>

	← Attributable to owners of the Company →				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Foreign currency translation reserves RM'000	Accumulated losses RM'000			
At 1 January 2011	55,410	38,452	(7)	(61,305)	32,550	39,241	71,791
<b>Total comprehensive (loss)/income for the financial year</b>	-	-	20	(3,643)	(3,623)	1,529	(2,094)
Realisation of foreign currency translation reserves upon cessation of foreign branch	-	-	(13)	13	-	-	-
<b>Transactions with non-owners:</b>							
Dividends	-	-	-	-	-	(2,107)	(2,107)
<b>At 31 December 2011</b>	<b>55,410</b>	<b>38,452</b>	<b>-</b>	<b>(64,935)</b>	<b>28,927</b>	<b>38,663</b>	<b>67,590</b>

**The condensed unaudited consolidated statement of changes in equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011)**

**Nakamichi Corporation Berhad**

**Condensed unaudited consolidated statements of cash flow for the year ended 31 December 2012**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>Current</b>	<b>Corresponding</b>
	<b>Year-to-date</b>	<b>Year-to-date</b>
	<b>31.12.2012</b>	<b>31.12.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Loss before taxation	(2,595)	(739)
Adjustments for:		
Amortisation of intangible asset	1,725	1,871
Depreciation	500	490
Loss on disposal of Assets held for sale	26	-
Impairment loss on asset held for sale	-	6,188
Interest expense	745	1,000
Interest income	(15)	-
Negative goodwill	-	(4,578)
Other non-cash items	-	-
Operating (loss)/profit before working capital changes	<u>386</u>	<u>4,232</u>
Changes in working capital:		
Assets held for sale	(726)	-
Inventories	(2,630)	90
Receivables, deposits and prepayment	(629)	(1,214)
Payables and accruals	<u>(10,311)</u>	<u>14,114</u>
Cash generated from operations	(13,910)	17,222
Tax paid	<u>(1,170)</u>	<u>(95)</u>
<b>Net cash generated from operating activities</b>	<u>(15,080)</u>	<u>17,127</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(302)	(27)
Interest received	15	-
Proceeds from disposal of Assets held for sale	<u>19,000</u>	<u>-</u>
<b>Net cash used in investing activities</b>	<u>18,713</u>	<u>(27)</u>
<b>Cash flows from financing activities</b>		
Interest paid	(745)	(670)
Dividend paid to non-controlling interest	(2,205)	(515)
Repayment of bank borrowings – net	<u>(472)</u>	<u>(15,380)</u>
<b>Net cash used in financing activities</b>	<u>(3,422)</u>	<u>(16,565)</u>
Net increase in cash and cash equivalents	211	535
Cash and cash equivalents at beginning of year	<u>5</u>	<u>(530)</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>216</u></u>	<u><u>5</u></u>
<b>Cash and cash equivalents at end of period comprise:</b>		
Cash and bank balances	216	5
Bank overdraft	-	-
	<u><u>216</u></u>	<u><u>5</u></u>

**(The condensed unaudited consolidated statements of cash flow should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011)**

## **Explanatory notes**

### **1. Basis of preparation**

The quarterly financial report is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 134, *Interim Financial Reporting* in Malaysia, International Accounting Standards 34, *Interim Financial Reporting* and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

These are the Group’s condensed consolidated interim financial statements for part of the period covered by the Group’s first MFRS framework annual financial statements and MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards* has been applied.

The Group had early adopted MFRS 101, *Presentation of Financial Statements* which is originally effective for annual periods beginning on or after 1 July 2012. The early adoption of the amendments to MFRS 101 has no impact on the financial statements other than the presentation format of the statement of profit or loss and other comprehensive income.

The quarterly financial report do not include all the information required for the full annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2011.

### **2. Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2011.

### **3. Qualified audit report**

The preceding annual audited financial statements of the Group were reported on without any qualification.

### **4. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and financial year.

### **5. Changes in estimates**

There were no changes in the estimates of amounts which give a material effect for the current quarter and financial year.

## 6. Taxation

The tax expense for the current quarter and financial year are as follows:

	<b>Current quarter 31.12.2012 RM'000</b>	<b>Cumulative year-to-date 31.12.2012 RM'000</b>
Tax expenses, Malaysia - current	(117)	692
Deferred tax - current	(56)	(411)
Total	<u>(173)</u>	<u>281</u>

The tax expense for the Group for the current quarter and financial year relates to the taxable income from our timber segment.

The effective tax rate of the Group for the current quarter and financial year is higher than the statutory tax rate due mainly to the losses incurred by the investment holding segment and certain charges not allowable for tax purposes.

## 7. Valuation of property, plant and equipment

There is no revaluation of property, plant and equipment brought forward from the previous audited financial statements.

## 8. Borrowings

The Group borrowings as at the end of the reporting period are as follows:

	<b>As at 31 December 2012 RM'000</b>
Non-current	139
Current	<u>222</u>
Total Group borrowings	<u>361</u>

As at 31 December 2012, all the borrowings are secured and there are no foreign currency denominated borrowings.

## 9. Debt and equity securities

There were no issuances, cancellations, repurchases and repayments of the Company's debt or equity securities for the year ended 31 December 2012.

## 10. Changes in composition of the Group

The Company had, on 24 May 2012 acquired a subsidiary via subscription of 51 ordinary shares of RM1.00 each in Factor Juta Sdn Bhd("FJSB"), representing 51% of the issued and paid –up capital of FJSB for a total cash consideration of RM51.00 only.

## 11. Corporate proposals

Save as disclosed below, there are no corporate proposals that were announced but not completed within 7 days from the date of this quarterly report.

On 28 March 2012, M&A Securities Sdn Bhd had announced on behalf of the Company that Nakamichi Malaysia Sdn Bhd (“NMSB”), a wholly owned subsidiary of the Company had on even date entered into a sale and purchase agreement with Century Advance Technology Sdn Bhd (“the Purchaser”) for the proposed disposal of a property bearing the postal address of Lot 4A, Jalan Sultan Mohamed 3, Kawasan Perindustrian Bandar Sultan Sulaiman, 42000 Pelabuhan Klang, Selangor Darul Ehsan (“the Property”) by NMSB to the Purchaser for a cash consideration of RM19,000,000 (“Proposed Disposal”). The Proposed Disposal is conditional on the state authorities consent/approval for the transfer of the Property from NMSB to the Purchaser and the approval of the shareholders of the Company.

On 18 June 2012, M&A Securities had, on behalf of the Company announced that the State Authority had vide its letter dated 16 May 2012, approved the transfer of the property to the Purchaser.

The Board of Directors of NCB had announced the resolution in relating to the Proposed Disposal on 23<sup>rd</sup> July 2012 and was duly approved by the shareholders of NCB.

On 10 October 2012, M&A Securities had on behalf of the Company announced that the solicitor for the sales and purchase agreement for the Proposed Disposal had vide its letter dated 9 October 2012 informed that the Proposed Disposal has been completed with the receipt of the balance disposal consideration on 28 September 2012.

## 12. Status of utilisation of proceeds

The proceeds from the Proposed Disposal (as stated in Note 11) of RM19 million are to be utilised as follows:

<b><u>Purposed</u></b>	<b><u>Purposed</u></b>	<b>Actual</b>	<b>Intended</b>	<b>Balance unutilised</b>	
	<b><u>utilisation</u></b>	<b>utilisation</b>	<b>timeframe</b>		
	<b>RM'000</b>	<b>as at</b>	<b>for</b>	<b>RM'000</b>	<b>%</b>
		<b>31.12.2012</b>	<b>utilisation</b>		
Operating expenses (Including salaries and marketing activities)	6,374	6,450	30.06.2013	(76)	-1.19%
Trade and other payables	11,926	11,824	30.06.2013	102	0.86%
Estimated expenses relating to the Proposed Disposal	700	726	Immediate	(26)	-3.71%
<b>Total</b>	<b>19,000</b>	<b>19,000</b>		<b>0</b>	<b>0.00%</b>



### 13. Material events subsequent to the period end

There are no material events subsequent to the period end that have not been reflected in the financial statements of the Group.

### 14. Contingent liabilities/assets

The contingent liabilities of the Group as at 31 December 2012 comprises corporate guarantees totaling RM1.7million, executed by the Company for loan/hire purchase facilities granted to subsidiaries. Out of the total loan/hire purchase facilities secured by corporate guarantees, a total of RM0.22 million was outstanding at the period end.

### 15. Capital commitments

There were no capital commitments as at 31 December 2012.

### 16. Seasonal and cyclical factors

There are no material seasonal or cyclical factors affecting the income and performance of the Group.

### 17. Notes to the statement of profit or loss and other comprehensive income

Other than interest income and finance costs, included in the statement of profit or loss and other comprehensive income are the following charges:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current year quarter 31.12.2012 RM'000	Preceding year corresponding quarter 31.12.2011 RM'000	Current period 31.12.2012 RM'000	Preceding year corresponding period 31.12.2011 RM'000
Amortisation of intangible asset	(303)	(391)	(1,725)	(1,871)
Depreciation	(129)	(123)	(500)	(490)
Foreign exchange gain/(loss)	-	(28)	(64)	(24)
Loss on disposal of Assets held for sale	-	-	(26)	-
Impairment loss on assets held for sale	-	(6,188)	-	(6,188)
Negative goodwill	-	-	-	4,578

## 18. Segmental information

Analysis by business segments being the primary basis of the Group's segment reporting for the 12 months financial year ended 31 December 2012 is as follows:

	<b>Investment</b>			
	<b>Holding</b>	<b>Timber</b>	<b>Total</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
<b>TURNOVER</b>				
External turnover	-	9,973	9,973	
Internal turnover	-	-	-	
	-	9,973	9,973	
<b>RESULTS</b>				
Segment results	(2,639)	774	(1,865)	
Interest income			15	
Finance cost			(745)	
Loss before taxation			(2,595)	
Taxation			(281)	
Loss for the period			(2,876)	
Other comprehensive loss for the period, net of tax			-	
Total comprehensive loss for the period			(2,876)	
Non-controlling interests			40	
Total comprehensive loss attributable to owners of the Company			(2,836)	
	<b>Investment</b>			
	<b>Holding</b>	<b>Timber</b>	<b>Elimination</b>	<b>GROUP</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>				
Segment assets	175	19,236	(9,686)	9,725
Intangible asset				96,298
Total				106,023
<b>LIABILITIES</b>				
Segment liabilities	11,987	12,352	(9,686)	14,653
Tax liabilities				4,709
Deferred tax liabilities				24,152
Total				43,514
<b>OTHER SEGMENT INFORMATION</b>				
Amortisation of intangible asset	1,725	-	-	1,725
Capital expenditure	-	302	-	302
Depreciation	36	464	-	500
Loss on disposal for Assets held for sale	26	-	-	26

## 19. Material litigation

### **Ko Kung Siong (Trading under the name and style of K.K.S. Timber Trading) (“Plaintiff”) vs Tamabina Sdn Bhd (“Defendant”)**

On 5 October 2010, the Company had announced that Tamabina Sdn Bhd (“Defendant”), a 51% owned and major subsidiary had on 4 October 2010 received a Writ of Summons Suit No. S-22-59 and Statement of Claim dated 17 September 2010 and 14 September 2010 respectively, from KKS Timber Trading (“Plaintiff”) filed through their solicitors, Messrs Ngui & Associates (“the Action”) in the High Court of Sabah and Sarawak at Sandakan (“Court”). The Action arises from the claim by KKS against the Defendant for non-payment for logging work performed by the Plaintiff at Coupe YS1/07(3) at the Pinangah Forest Reserve in the Yayasan Sabah Concession Area. On 30 November 2011, the Company announced that a judgment was obtained against the Defendant on even date. The Defendant was adjudged by the Court to pay the Plaintiff:

- i) RM1,448,173.07, being the unpaid balance owed for the logging works performed or in the alternative for remedy of quantum meruit;
- ii) Interest at the rate of 8% per annum on the unpaid balance calculated from 27 July 2010 to the date of judgment;
- iii) Interest at 8% per annum on the judgment sum from the date of judgment to the date of full settlement; and
- iv) Cost, on solicitors-clients basis.

The Defendant had applied to the Sandakan High Court and on 27 February 2012, was granted a stay of execution and enforcement of the aforesaid judgment obtained by the Plaintiff. However, the stay of execution order granted by the Sandakan High Court pending the appeal by the Defendant to the Court of Appeal was overruled by the Court of Appeal and the Plaintiff had on 28 September 2012 served a Statutory Demand (Pursuant to Section 218(1)(e) of the Companies Act, 1965) on the Defendant.

The Defendant had then filed an Ex-Parte Notice of Motion for Stay (“Motion for Stay”) at the Court of Appeal Registry at Putrajaya over the above order. On 28 November 2012, the Company announced that the Court of Appeal has by consent granted the following Orders pursuant to the Defendant’s application of Motion for Stay, namely:-

- (i) an Order staying all execution and/or enforcement of the above judgment granted by the High Court at Sandakan on the 30 November 2011 in Civil Suit No. S22-59 of 2010 (the said “Judgment”) against the Defendant pending the hearing and full and final disposal of the Civil Appeal no. S-02-457-02 of 2012; and
- (ii) that the Defendant shall within seven (7) days from 26 November 2012 pay into the Court the judgment sum awarded under the said Judgment i.e. amounting to RM1,448,173.07 failing which the stay Order under paragraph (i) above shall lapse.

The Defendant had on 3 December 2012 paid into the Court an amount of RM1,448,173.07 pursuant to the condition of the consent order under paragraph (ii) above.

The Company is of the view that based on the latest audited financial statements of the Group for FYE 31 December 2011, if the Defendant loses the case, the expected losses arising from the action of RM975,008 (excluding interest and legal cost), is expected to have a material effect to the Group’s earning (represents 10% of the loss attributable to the equity holders of the Company) but the impact to the net assets value of the Group will be immaterial (represents 1% of the net assets value of the Group).

**Kini Abadi Sdn Bhd (“Plaintiff”) vs Tamabina Sdn Bhd (“Defendant”)**

On 21 December 2011, a legal action was brought against the Defendant for alleged non-payment of the amount of RM259,025.98 for transport services provided by the Plaintiff to the Defendant.

The Plaintiff’s solicitor had on 28 March 2012 file an application to strike out the Defendant’s defense. On 29 June 2012, the High Court allowed the Plaintiff’s application to strike out the Defendant’s defense with costs fo RM3,000.00.

The Defendant had on 8 October 2012 settled the full amount of RM259,025.98 together with the interest and cost of RM9,755.96.

**20. Review of performance**

The Group’s revenue for the period under review reduced by 45% to RM9.97 million as compared to the revenue for the preceding year corresponding period in 2011 of RM18.18 million. This was due to the lower revenue reported by the timber segment as a result of lower logs production. The lower logs production was mainly attributable to logging activities which were hampered by adverse weather condition in Sabah.

The Group’s recorded a net loss of RM2.88 million in the period under review as compared to a net loss of RM2.11 million in the preceding year corresponding period in 2011. This was due mainly to lower revenue recorded in the period under review.

**Segmental analysis**

- a) The timber segment in the period under review registered a profit contribution of RM0.77 million versus a profit contribution of RM2.98 million in the preceding year corresponding period. The decline was mainly due to the drop in its revenue.
- b) The investment holding segment recorded a loss contribution of RM2.64 million for the period under review as compared to a loss contribution of RM5.09 million in the preceding year corresponding period. This was due mainly to the provision of impairment loss on assets classified as held for sale of RM6.19 million in the preceding year corresponding period.

**21. Comparison with Preceding Quarter**

Comparing quarter on quarter, the Group’s revenue decreased slightly by RM0.14 million to RM1.52 million for the current quarter. The Group registered a net loss of RM0.98 million in the current quarter as compared to a net loss of RM0.42 million in the preceding quarter. This was mainly due to the higher operating expenses and drop in revenue

### Segmental analysis

Quarter on quarter, the timber segment recorded a loss contribution of RM0.61 million for the current quarter compared to a profit contribution of RM0.40 million in the preceding quarter. The decrease was mainly due to the higher operating expenses.

The investment holding segment registered a loss contribution of RM0.50 million for the current quarter as compared to a loss contribution of RM0.47 million in the preceding quarter. This was mainly due to the increase of the administrative expenses.

## **22. Prospects**

Due to the current sovereign debt and financial crisis in Europe, the slowing pace of the global economy, the Board is of the view that the year 2013 to be challenging.

## **23. Profit forecast and profit guarantee**

The Group did not publish any profit forecast.

On 30 December 2009, the shareholders of the Company had at an extraordinary general meeting approved the variation in the profit guarantee from the vendors of TSB. The variation entailed the joint and several guarantee from the vendors of TSB on the achievement by TSB of an audited consolidated profit after taxation of not less than RM12 million for each of the three (3) financial periods of twelve (12) months each ending 30 June 2010, 30 June 2011 and 30 June 2012. In addition, any excess of the amount of the profit guarantee in any of the relevant financial period under guarantee shall be carried forward to the subsequent financial period under guarantee for the purposes of computing the guaranteed profit for such subsequent financial period.

For the twelve (12) months financial period ended 30 June 2010, TSB registered an audited consolidated profit after taxation of RM12.02 million which is above the profit guarantee of RM12 million.

For the twelve (12) months financial period ended 30 June 2011, TSB registered an audited consolidated profit after taxation of RM3.0 million which when aggregated with the excess over the profit guarantee for the previous financial period under guarantee of RM0.02 million, is less than the profit guarantee by RM8.98 million. The Vendors have on 15 September 2011 compensated the Company for the Company's share of the shortfall of the profit guarantee amounting to RM4.58 million. The compensation received will be treated as a reduction in the investment cost in TSB in the Company's financial statements and will result in a negative goodwill of equivalent amount in the Group's financial statements.

For the twelve (12) months financial period ended 30 June 2012, TSB profit guarantee can only be determined after the accounts is audited. Currently, the audit is still ongoing and the Company will announce the relevant details in the next Quarter results.

## **24. Assets held for sale**

The Group had in 2009 expressed its intention to sell its leasehold land and building. As such, the leasehold land and building has been reclassified in 2009 as "Assets held for sale" in accordance with MFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*.

The asset held for sale is now the subject of the Proposed Disposal mentioned in Note 11 above.

The assets held for sale are as follows:

	As at 31.12.2012	As at 31.12.2011
	RM'000	RM'000
Leasehold land	3,063	3,063
Leasehold building	15,237	15,237
	18,300	18,300
Add : Expenses in relation to disposal of Assets held for sale	726	-
	19,026	18,300
Disposal of Assets held for sale	(19,026)	-
	-	18,300

## 25. Loss per share

### Loss per share

The basic loss per share for the current quarter and financial year was arrived at as follows:

	Loss attributable to owners of the Company RM'000	Weighted average number of ordinary shares '000	Basic loss per share Sen
Current quarter	724	55,410	1.31
Financial year	2,836	55,410	5.12

### Diluted earnings per share

Diluted earnings per share are not applicable as there are no potentially dilutive instruments.

## 26. Dividends

The Board of Directors does not recommend any dividend in respect of the financial year ended 31 December 2012.

## 27. Realised and unrealised profits/losses

The breakdown of the accumulated losses of the Group into realised and unrealised losses as follows:

	As at 31.12.2012 RM'000	As at 31.12.2011 RM'000
Realised	(117,336)	(112,619)
Unrealised	(40)	(29)
	(117,376)	(112,648)
Consolidation adjustments	49,605	47,713
Total accumulated losses	(67,771)	(64,935)