



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2012**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/3/2012 (Unaudited) RM '000	PRECEDING YEAR QUARTER 31/3/2011 (Unaudited) RM '000	CURRENT YEAR TO DATE 31/3/2012 (Unaudited) RM '000	PRECEDING YEAR TO DATE 31/3/2011 (Unaudited) RM '000
Continuing Operations				
Revenue	7,401	7,553	23,388	22,720
Cost of sales	(5,198)	(8,700)	(18,943)	(30,779)
Gross profit/(loss)	2,203	(1,147)	4,445	(8,059)
Other income	383	5	2,857	102
Administration expenses	(2,262)	(1,523)	(4,632)	(4,511)
Other operating expenses	-	-	(1,605)	-
Other operating income	-	-	6,512	-
Finance costs	(1,276)	(897)	(3,788)	(2,907)
Gain on disposal of subsidiaries	-	-	-	3,030
(Loss)/Profit before tax	(952)	(3,562)	3,789	(12,345)
Income tax expense	48	(278)	(1,261)	724
(Loss)/Profit for the period from continuing operations	(904)	(3,840)	2,528	(11,621)
Discontinued Operations				
Profit for the period from discontinued operations	-	-	-	87
Net (loss)/profit for the period	(904)	(3,840)	2,528	(11,534)
Attributable to:				
Equity holders of the Company	(904)	(3,840)	2,528	(11,160)
Minority interest	-	-	-	(374)
	(904)	(3,840)	2,528	(11,534)
Other comprehensive income :				
Foreign currency translation	33	(86)	62	(35)
Total comprehensive income for the period	(871)	(3,926)	2,590	(11,569)
Total comprehensive income attributable to:				
Equity holders of the Company	(871)	(3,926)	2,590	(11,195)
Minority interest	-	-	-	(374)
Total comprehensive income for the period	(871)	(3,926)	2,590	(11,569)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
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	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/3/2012 (Unaudited) RM '000	PRECEDING YEAR QUARTER 31/3/2011 (Unaudited) RM '000	CURRENT YEAR TO DATE 31/3/2012 (Unaudited) RM '000	PRECEDING YEAR TO DATE 31/3/2011 (Unaudited) RM '000
(Loss)/Profit per share (sen) attributed to equity holder of the Company :				
Basic, for (loss)/profit from continuing operations	(1.78) *	(8.31)	4.98 *	(23.09)
Basic, for profit from discontinued operations	- *	-	- *	0.18
Basic, for (loss)/profit for the period	<u>(1.78) *</u>	<u>(8.31)</u>	<u>4.98 *</u>	<u>(22.91)</u>
Diluted	N/A	N/A	N/A	N/A
* Based on 50,804,845 ordinary shares				
Dividends per share (sen)	-	-	-	-

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statement for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE QUARTER ENDED 31 MARCH 2012**

	AS AT 31/3/2012 (Unaudited) RM '000	AS AT 30/06/2011 (Audited) RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	147,282	147,066
Goodwill	27,917	27,917
Deferred tax assets	9,550	6,149
	<u>184,749</u>	<u>181,132</u>
Current assets		
Trade and other receivables	5,229	3,613
Tax recoverables	153	153
Cash and bank balances	4,520	2,407
	<u>9,902</u>	<u>6,173</u>
TOTAL ASSETS	<u><u>194,651</u></u>	<u><u>187,305</u></u>
EQUITY AND LIABILITIES		
Share capital	50,805	50,805
Share premium	12,669	12,669
Reserve	(35,224)	(37,814)
Total equity	<u>28,250</u>	<u>25,660</u>
Non-current liabilities		
Borrowings	21,479	29,017
Deferred tax liabilities	6,669	2,071
	<u>28,148</u>	<u>31,088</u>
Current liabilities		
Borrowings	96,859	90,444
Trade and other payables	29,462	24,323
Amount due to directors	11,932	15,790
	<u>138,253</u>	<u>130,557</u>
Total liabilities	<u>166,401</u>	<u>161,645</u>
TOTAL EQUITY AND LIABILITIES	<u><u>194,651</u></u>	<u><u>187,305</u></u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.5560</u>	<u>0.5051</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statement for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2012**

	<----- Attributable to Equity Holders of the Company ----->							
	<----- Non-distributable ----->				Distributable		Minority Interest RM '000	Total Equity RM '000
(Unaudited)	Share Capital RM '000	Share Premium RM '000	Revaluation Reserve	Translation reserve RM '000	Retained earnings/ Accumulated losses RM '000	Total RM '000		
At 1 July 2010	46,199	10,834	-	(1,757)	3,426	58,702	9,850	68,552
Issue of shares	2,140	856	-	-	-	2,996	-	2,996
Acquisition of non-controlling interest	-	-	-	-	(16,523)	(16,523)	(9,476)	(25,999)
Foreign currency translation difference	-	-	-	(35)	-	(35)	-	(35)
Loss for the period	-	-	-	-	(11,160)	(11,160)	(374)	(11,534)
Total comprehensive income	-	-	-	(35)	(11,160)	(11,195)	(374)	(11,569)
At 31 March 2011	48,339	11,690	-	(1,792)	(24,257)	33,980	-	33,980
(Unaudited)								
At 1 July 2011	50,805	12,669	3,800	(1,863)	(39,751)	25,660	-	25,660
Foreign currency translation difference	-	-	61	1	-	62	-	62
Profit for the period	-	-	-	-	2,528	2,528	-	2,528
Total comprehensive income	-	-	61	1	2,528	2,590	-	2,590
At 31 March 2012	50,805	12,669	3,861	(1,862)	(37,223)	28,250	-	28,250

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2012

	9 months ended	
	31/3/2012 (Unaudited) RM '000	31/3/2011 (Unaudited) RM '000
Cash flows from operating activities		
Profit/(Loss) before tax :		
- continuing operation	3,789	(12,345)
- discontinued operation	-	87
	<u>3,789</u>	<u>(12,258)</u>
Adjustment for :		
Unrealised foreign exchange (gain)/loss	(121)	6,826
Interest expense	3,788	2,907
Reversal of accrual for rebate payables	(6,512)	2,727
Gain on disposal of subsidiaries	-	(3,030)
Depreciation	<u>3,453</u>	<u>6,057</u>
Operating profit before changes in working capital	4,397	3,229
Trade and other receivables	(1,616)	3,223
Trade and other payables	<u>10,516</u>	<u>(2,029)</u>
Cash generated from operating activities	13,297	4,423
Interest paid	(2,788)	(1,342)
Tax refund	-	314
Net cash generated from operating activities	<u>10,509</u>	<u>3,395</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	<u>(1,309)</u>	<u>-</u>
Net cash used in investing activities	<u>(1,309)</u>	<u>-</u>
Cash flows from financing activities		
Repayment of term loans	(14,285)	(8,100)
Repayment of finance lease liabilities	(9)	(13)
Drawdown of term loan	11,065	-
(Repayment to)/Advance from director	(3,858)	2,634
Issued of shares	-	2,996
Net cash used in financing activities	<u>(7,087)</u>	<u>(2,483)</u>
Net increase in cash and cash equivalents	2,113	912
Cash and cash equivalents at beginning of financial period	<u>2,407</u>	<u>107</u>
Cash and cash equivalents at end of financial period	<u>4,520</u>	<u>1,019</u>



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2012

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

	9 months ended	
	As at 31/3/2012 (Unaudited) RM '000	As at 31/3/2011 (Unaudited) RM '000
Cash and bank balances	4,520	1,019
	<u>4,520</u>	<u>1,019</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statement for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.



**PART A – EXPLANATORY NOTES PURSUANT TO FRS 134
FOR THE QUARTER ENDED 31 MARCH 2012**

A1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the requirements of 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 30 June 2011. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30 June 2011.

The interim financial statements have been prepared on the assumption that the Group is a going concern. The Group incurred a net profit of approximately RM2.53 million for the nine months ended 31 March 2012, and the current liabilities of the Group exceeded its current assets by RM128.35 million due to the nature of the business is capital intensive. The Group is in the midst of restructuring the banking facilities coupled with fund raising exercise to resolve the mismatch of the short term operating cashflow.

The Group have made amendment on the previous quarterly announcements in relation to the computation error on depreciation of the Group's property, plant and equipment ("PPE"). The amendment on the previous quarterly announcements is to ensure the consistency of the computation adopted during the previous financial year ended 30 June 2011. The effect of the re-computation of the depreciation charge is RM4.99 million in which increased the profit before taxation of the Group to RM3.79 million for the current financial period.

The amended computations of the Group's PPE, for 9 months ended 31 March 2012 have been reviewed by independent third party Messrs. Crowe Horwath a chartered accountants firm.

As disclosed in the previous year's financial statements, ArusDermagaSdnBhd ("ADSB"), a subsidiary, entered into negotiations with its lender to restructure its term loan as it was unable to meet its loan principal installment amounting to USD3 million in March 2010. On 20 August 2010, the lender has agreed to restructure the term loan, of which the new terms include the requirement to repay USD6 million (inclusive of the RM3 million due in September 2010) of the term loan by 31 December 2010.

ADSB was unable to meet the abovementioned USD6 million restructured repayment on 31 December 2010 and had, on 31 May 2011, obtained a further agreement from the lender to keep the repayment in abeyance pending the ongoing negotiations to restructure the loan facility. As at 31 March 2012, the loan outstanding in the books of ADSB is approximately USD23.95 million.

Petrol One Resources Berhad ("PORB") also entered into negotiations with its lender to restructure its term loan as it was unable to meet its bridging loan principal repayment amounting to RM8.5 million due as at 31 January 2011. On 31 January 2011, PORB obtained an agreement from the lender to keep the repayment in abeyance pending the ongoing negotiations to restructure the loan facility. As at 31 March 2012, the loan outstanding in the books of PORB is approximately RM7.5 million.

In order to meet its loan obligations, the Group is planning various capital fund raising exercises, which include re-financing the vessel, share placement and rights issue.



**PART A – EXPLANATORY NOTES PURSUANT TO FRS 134
FOR THE QUARTER ENDED 31 MARCH 2012**

The above conditions indicate the existence of material uncertainties that may cast significant doubt on the ability of the Group and Company to continue as a going concern and therefore the Group and Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The validity of the going concern assumption is dependent upon the successful implementation of its planned capital fund raising exercises, the continuous financial support from the lenders and the ability of the Group and Company to attain profitable operations in the future. The interim financial statements do not include any adjustments that may be necessary should the going concern assumption not be appropriate.

A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and method of computation adopted by the Group in the interim financial statements are consistent with those adopted in the financial statements for the year ended 30 June 2011 except for the adoption of the following new/revised Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations, which were effective for this financial period beginning 1 July 2011:

FRS 4, Insurance Contracts
FRS 7, Financial Instruments: Disclosures
FRS 101, Presentation of Financial Statements (revised)
FRS 123, Borrowing Costs (revised)
FRS 139, Financial Instruments: Recognition and Measurement
Amendments to FRS 1, First-time Adoption of Financial Reporting Standards
Amendments to FRS 2, Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 7, Financial Instruments: Disclosures
Amendments to FRS 101, Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation
Amendment to FRS 116, Property, Plant and Equipment
Amendments to FRS 127, Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 132, Financial Instruments: Presentation
- Puttable Financial Instruments and Obligations Arising on Liquidation
- Separation of Compound Instruments
Amendments to FRS 139, Financial Instruments: Recognition and Measurement
- Reclassification of Financial Assets
- Collective Assessment of Impairment for Banking Institutions
Improvements to FRSs (2009)
IC Interpretation 9, Reassessment of Embedded Derivatives
IC Interpretation 10, Interim Financial Reporting and Impairment
IC Interpretation 11, FRS 2 – Group and Treasury Share Transactions
IC Interpretation 13, Customer Loyalty Programmes
IC Interpretation 14, FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction
Amendments to FRS 132, Financial Instruments: Presentation – Classification of Rights Issues
FRS 1: First-time Adoption of Financial Reporting Standards
FRS 3: Business Combinations (revised)
FRS 127: Consolidated and Separate Financial Statements (amended)
Amendments to FRS 2: Share-based Payment - Vesting Conditions and Cancellations
Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138: Intangible Assets
IC Interpretation 12: Service Concession Arrangements
IC Interpretation 15: Agreements for the Construction of Real Estate



**PART A – EXPLANATORY NOTES PURSUANT TO FRS 134
FOR THE QUARTER ENDED 31 MARCH 2012**

IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17 Distributions of Non-cash Assets to Owners
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives
Amendments to FRS 1, First-time Adoption of Financial Reporting Standards
- Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
- Additional Exemptions for First-time Adopters
Amendments to FRS 7, Financial Instrument: Disclosure - Improving Disclosures about Financial Instruments
Amendments to FRS 2, Group Cash-settled Share-based Payment Transactions
IC Interpretation 4 Determining whether an Arrangement contains a Lease
IC Interpretation 18 Transfers of Assets from Customers
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14 Prepayments of a Minimum Funding Requirement
FRS 124 Related Party Disclosures (Revised)
IC Interpretation 15 Agreements for the Construction of Real Estate

The adoption of the above new/revised FRSs, Amendments to FRSs and interpretations will not have significant impact on the financial statements of the Group and Company. The principal effects of the changes in accounting policies resulting from the adoption of the above new/revised FRSs, Amendments to FRSs and Interpretations are summarized below:

FRS 101: Presentation of Financial Statements

Prior to the adoption of the revised FRS 101, the components of the financial statements presented consisted of a balance sheet, an income statement, a statement of changes in equity, a cash flow statement and notes to the financial statements. With the adoption of the revised FRS 101, the components of the financial statements presented will consist of a statement of comprehensive income, a statement of financial position, a statement of changes in equity, a statement of cash flows and notes to the financial statements.

The gains/(losses) that were recognised directly in equity in the preceding year/corresponding period are presented as components in other comprehensive income in the statement of comprehensive income. The total comprehensive income is presented separately in the statement of comprehensive income and allocation is made to show the amount attributable to owners of the parent and to non-controlling interests.

The total comprehensive income is presented as a one-line item in the statement of changes in equity and the comparative information has been re-presented in order to conform with the revised standard. This standard only affects the presentation aspects and will not have any impact on the earnings per share.

FRS 139, Financial Instruments: Recognition and Measurement

Prior to the adoption of FRS 139, financial derivatives and their corresponding gains/(losses) were only recognized on their settlement dates. Outstanding derivatives at the reporting date were not recognized. With the adoption of FRS 139, such financial derivatives will be recognized at contract dates as financial assets or financial liabilities and the measurement of such contracts would be at fair value through profit and loss. In accordance with the transitional provisions of this standard, the required changes are applied prospectively and the comparative information are not restated. This standard has no significant impact on the financial position and results of the Group.



**PART A – EXPLANATORY NOTES PURSUANT TO FRS 134
FOR THE QUARTER ENDED 31 MARCH 2012**

A3. AUDIT REPORT OF THE COMPANY'S PRECEDING ANNUAL FINANCIAL STATEMENTS

The Audit Report of the Company's preceding annual financial statements for financial year ended 30 June 2011 was not qualified.

A4. SEGMENTAL INFORMATION

The revenue of PORB Group was contributed by its subsidiaries who are principally engaged in provision of storage facilities for oil and gas products in the Oil and gas industry.

	INDIVIDUAL PERIOD CURRENT YEAR QUARTER		CUMULATIVE PERIOD CURRENT YEAR TO DATE	
	31/3/2012 (Unaudited) RM'000	31/3/2011 (Unaudited) RM'000	31/3/2012 (Unaudited) RM'000	31/3/2011 (Unaudited) RM'000
Segment Revenue				
Revenue from continuing operations:				
Oil and gas	7,401	7,533	23,388	22,720
Revenue from discontinued operation	-	-	-	3,229
Total	<u>7,401</u>	<u>7,533</u>	<u>23,388</u>	<u>25,949</u>
Segment Results				
Results from continuing operations:				
Oil and gas	(904)	(3,840)	2,528	(11,621)
Results from discontinued operation	-	-	-	87
Total	<u>(904)</u>	<u>(3,840)</u>	<u>2,528</u>	<u>(11,534)</u>

A5. 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 2012.

A6. CHANGES IN ESTIMATES

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

A7. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The business of the Group was not affected by any significant seasonal or cyclical fact in the current quarter with the exception of the current global economic downturn.

A8. DIVIDENDS PAID

There was no dividend paid or declared during the current quarter and financial year under review.



**PART A – EXPLANATORY NOTES PURSUANT TO FRS 134
FOR THE QUARTER ENDED 31 MARCH 2012**

A9. DEBT AND EQUITY SECURITIES

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities by the Company during the current quarter under review.

A10. CAPITAL COMMITMENTS

There were no changes in capital commitments since the last annual balance sheet as at 30 June 2011.

A11. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at 31 March 2012, PORB has provided corporate guarantees to several banks and financial institutions in respect of the total banking facilities of RM118 million granted to its subsidiaries.

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter under review.

A13. DISCONTINUED OPERATION

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR		CURRENT YEAR TO	
	QUARTER		DATE	
	31/3/2012	31/3/2011	31/3/2012	31/3/2011
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM'000	RM'000	RM'000	RM'000
Revenue	-	-	-	3,229
Profit before tax	-	-	-	87
Income tax expense	-	-	-	-
Profit for the period from discontinued operations	-	-	-	87



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 31 MARCH 2012

B1. PERFORMANCE REVIEW

The Group registered revenue of approximately RM7.40 million for the current quarter ended 31 March 2012 which is about 2.0% decrease as compared to approximately RM7.55 million achieved in the corresponding quarter of the preceding year. The decrease in revenue is mainly due to weakening on the exchange rate for US dollar against Ringgit Malaysia.

Decrease in loss before tax of approximately RM2.61 million to RM0.95 million for the current quarter primarily due to strictly control over the operation expenses. However the effect is partially set off by the increase in administration and finance costs.

B2. VARIANCE OF QUARTERLY RESULTS COMPARED TO PRECEDING QUARTER

The Group recorded revenue of approximately RM7.40 million for the current quarter under review compared to the immediate preceding quarter of approximately RM7.64 million. The decrease in revenue is mainly due to weakening on the exchange rate for US dollar against Ringgit Malaysia.

The Group's incurred loss before tax of approximately RM952,000 for the current quarter as compared to the immediate preceding quarter of loss before tax of RM1.2 million. The decrease is mainly due to strictly control over the operation expenses.

B3. COMMENTARY ON PROSPECTS

In view of the positive prospects of the oil and gas industry, the Board is cautiously optimistic of the market condition as demand for floating storage for oil and oil product remains robust in the coming quarter.

B4. VARIANCE OF ACTUAL AND PROFIT FORECAST

Not applicable to the Group as PORB did not announce any profit forecast for the current financial year.

B5. TAXATION

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR		CURRENT YEAR TO	
	QUARTER		DATE	
	31/3/2012	31/3/2011	31/3/2012	31/3/2011
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM'000	RM'000	RM'000	RM'000
Deferred tax				
- origination and reversal of temporary differences	(48)	278	1,261	(724)
Total	<u>(48)</u>	<u>278</u>	<u>1,261</u>	<u>(724)</u>



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 31 MARCH 2012

B.6 OPERATING LOSS FROM OPERATIONS

	3 months ended 31/3/2012 (Unaudited) RM'000	9 months ended 31/3/2012 (Unaudited) RM'000
Operating loss includes:		
Reversal of accrual for rebate payable	-	6,512
Foreign exchange gain		
- realised	11	227
- unrealised	502	2,628
and is arrived at after charging:		
Depreciation	1,154	3,453
Interest expense	1,276	3,788
Foreign exchange loss		
- realised	38	89
- unrealised	1,724	2,507

B7. SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no sales of unquoted investments and properties during the current quarter under review.

B8. QUOTED SECURITIES

There were no purchase and disposal of quoted securities during the current quarter under review.

B9. GROUP BORROWINGS

	As at 31/3/2012 (Unaudited) RM'000	As at 30/6/2011 (Audited) RM'000
Short term borrowings		
Secured	96,859	90,444
Long term borrowings		
Secured	21,479	29,017
Total	<u>118,338</u>	<u>119,461</u>

As disclosed in Note A1, ADSB was unable to meet the abovementioned USD6 million restructured repayment on 31 December 2010 and had, on 31 May 2011, obtained a further agreement from the lender to keep the repayment in abeyance pending the ongoing negotiations to restructure the loan facility.

Petrol One Resources Berhad ("PORB") also entered into negotiations with its lender to restructure its term loan as it was unable to meet its bridging loan principal repayment amounting to RM8.5 million due as at 31 January 2011. On 31 January 2011, PORB obtained an agreement from the lender to keep the repayment in abeyance pending the ongoing negotiations to restructure the loan facility. As at 31 March 2012, the loan outstanding in the books of PORB is approximately RM7.5 million.



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 31 MARCH 2012

B10. STATUS OF CORPORATE PROPOSAL

On 20 May 2011, PORB proposed to undertake the following: -

- (i) proposed renounceable rights issue of up to 50,804,845 new ordinary shares of RM1.00 each in PORB (“PORB Shares”) (“Rights Shares”) at an issue price of RM1.00 per share together with up to 50,804,845 free detachable warrants in PORB (“Rights Warrants”) on the basis of one (1) Rights Share and one (1) free Rights Warrant for every one (1) existing PORB Share held as at an entitlement date to be determined later (“Proposed Rights Issue with Warrants”);
- (ii) proposed private placement of up to 10,160,969 new PORB Shares, representing up to 10% of the enlarged issued and paid-up share capital of PORB after the Proposed Rights Issue with Warrants, at an issue price to be determined later (“Proposed Private Placement”);
- (iii) proposed increase in the authorised share capital of the Company from RM100,000,000 comprising 100,000,000 PORB Shares to RM500,000,000 comprising 500,000,000 PORB Shares (“Proposed Increase in Authorised Share Capital”); and
- (iv) proposed amendments to the Memorandum and Articles of Association of PORB (“M&A”) pursuant to the Proposed Increase in Authorised Share Capital (“Proposed M&A Amendments”).

On 16 August 2011, PORB has submitted the relevant application pertaining to the above Proposal to Bursa Malaysia Securities Berhad and Bank Negara Malaysia (“BNM”).

BNM vide its letter dated 23 August 2011 has approved the following:

- (i) proposed issue of warrants in PORB (“Rights Warrants”) to non-residents of Malaysia pursuant to the Proposed Rights Issue with Warrants;
- (ii) future issuance of warrants in PORB to non-residents of Malaysia pursuant to any adjustment to the number of Rights Warrants in accordance with the terms of the deed poll constituting the Rights Warrants to be executed by the Company.

On 9 May 2012 the Board of Directors of PORB terminates the above mentioned proposal. The Board is of the opinion that the termination is in the best interest of the Company as the Company is planning a new scheme to position the Company on a stronger footing.

B11. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There are no off balance sheet financial instruments at the date of this quarterly report.



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 31 MARCH 2012

B12. CHANGES IN MATERIAL LITIGATION

- (a) ArusDermagaSdn. Bhd., a wholly-owned sub-subsiidiary of PORB had been served with a Notice of Winding-Up under Section 218 of the Companies Act, 1965 dated 5th January 2012, by Messrs Shaikh David Raj i.e. solicitors for The Standard Steamship Owners' Protection and Indemnity Association (Asia) Limited demanding for a payment of USD270,254.88 (Two Hundred and Seventy Thousand and Two Hundred and Fifty Four United States Dollars and Eighty Eight Cents) (being the amount due when the part payment of RM15,000.00 towards the original amount due (USD274,945.31) is taken into account) plus interest and costs being the amounts due and owing pursuant to the order of the High Court of Malaya at Kuala Lumpur (Suit No. :27-31-2011) dated the 3rd of November 2011 ("the Sum") within twenty one (21) days from the receipt of the same.

The Board of Directors of the Company and ArusDermagaSdn. Bhd. had obtained legal advice from its solicitors on the propose settlement terms and is pending petitioner confirmation.

- (b) ArusDermagaSdn. Bhd., a wholly-owned sub-subsiidiary of PORB had been served with a Winding Up Petition dated 26 March 2012 by Messrs Ranjit Singh &Yeoh, solicitors for Elias Bin Abdullah Ng ("Petitioner").

It was alleged in the Winding Up Petition that ADSB is indebted to Mr. Lim Kian Boon, a director of the Company for sum of RM5,200,000/- and that Mr. Lim Kian Boon had assigned absolutely his rights, title and interest in the debt to the Petitioner. The circumstances leading to the filing of the Winding Up Petition is that ADSB has failed, refused and/or neglected to settle the debt nor has it secured or compounded the same to the satisfaction of the Petitioner.

The Company had taken all necessary steps to safeguard its interest and 22 May 2012, the Winding Up Petition was struck-off with no order as to costs by the Kuala Lumpur High Court.

B13. (LOSS)/PROFIT PER SHARE

- (a) Basic

Basic (loss)/profit per share amounts are calculated by dividing loss for the (loss)/profit attributable to ordinary equity holders of the parent by the number of ordinary shares in issue of 50,804,845 at the end of the current quarter.

- (b) Diluted

There was no dilution in (loss)/profit per share as the Company did not have any convertible financial instrument as at the end of the current quarter under review.



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 31 MARCH 2012

B14. SUPPLEMENTAL INFORMATION DISCLOSED PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

The following analysis of realised and unrealised retained profits at the legal entity level is prepared in accordance with Guidance on Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by Malaysian Institute of Accountants whilst the disclosure at the group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

	As at 31/3/2012 (Unaudited) RM'000	As at 30/6/2011 (Audited) RM'000
Total accumulated losses of the Company and its subsidiaries:		
- realised	(15,540)	(15,512)
- unrealised	2,634	(2,005)
	<u>(12,906)</u>	<u>(17,517)</u>
Consolidated adjustments	(24,317)	(22,234)
Total accumulated losses	<u>(37,223)</u>	<u>(39,751)</u>

B15. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on _____.

By Order of the Board

LEE WEI HONG
Executive Director
Date :