



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2013**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/12/2013 RM '000	PRECEDING YEAR QUARTER 31/12/2012 RM '000	CURRENT YEAR TO DATE 31/12/2013 RM '000	PRECEDING YEAR TO DATE 31/12/2012 RM '000
Revenue	-	10,871	-	14,246
Cost of sales	-	(4,370)	-	(9,482)
Gross profit	-	6,501	-	4,764
Other income/(expense)	197	(8)	1,055	17
Administration expenses	(1,516)	(1,832)	(4,027)	(5,432)
Other operating expenses	-	(7,384)	(806)	(7,384)
Other operating income	155	-	447	-
Finance costs	(1,095)	(1,284)	(2,207)	(2,669)
Loss before tax	(2,259)	(4,007)	(5,538)	(10,704)
Income tax (expense)/benefit	-	(1,576)	19	(803)
Loss for the period attributable to owners of the Company	(2,259)	(5,583)	(5,519)	(11,507)
Other comprehensive (loss)/income:				
Foreign currency translation differences	(626)	96	(2,536)	1,614
Total comprehensive loss attributable to owners of the Company	(2,885)	(5,487)	(8,055)	(9,893)
Loss per ordinary shares (sen) attributed to equity holders of the Company :				
Basic	(4.45)	(10.99)	(10.86)	(22.65)
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 profit and loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE QUARTER ENDED 31 DECEMBER 2013**

	AS AT 31/12/2013 RM '000	AS AT 30/06/2013 RM '000
ASSETS		
Non-current assets		
Plant and equipment	2,685	2,756
Current assets		
Trade and other receivables	294	6,699
Cash and bank balances	1,568	2,331
	<u>1,862</u>	<u>9,030</u>
TOTAL ASSETS	<u>4,547</u>	<u>11,786</u>
EQUITY AND LIABILITIES		
Share capital	50,805	50,805
Share premium	12,669	12,669
Reserve	(154,370)	(146,315)
Equity attributable to equity holders of the Company	<u>(90,896)</u>	<u>(82,841)</u>
Non-current liabilities		
Borrowings	141	145
Deferred tax liabilities	-	18
	<u>141</u>	<u>163</u>
Current liabilities		
Borrowings	49,425	44,754
Trade and other payables	40,540	34,057
Amount due to directors	5,329	15,645
Provision for taxation	8	8
	<u>95,302</u>	<u>94,464</u>
Total liabilities	<u>95,443</u>	<u>94,627</u>
TOTAL EQUITY AND LIABILITIES	<u>4,547</u>	<u>11,786</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>(1.7891)</u>	<u>(1.6306)</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statement for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2013**

	<----- Attributable to Equity Holders of the Company ----->					
	<----- Non-distributable ----->			Distributable		
	Share Capital RM '000	Share Premium RM '000	Revaluation Reserve RM '000	Translation reserve RM '000	Retained earnings/ Accumulated losses RM '000	Total RM '000
At 1 July 2012	50,805	12,669	4,014	(3,189)	(76,856)	(12,557)
Foreign currency translation difference	-	-	(165)	1,779	-	1,614
Loss for the period	-	-	-	-	(11,507)	(11,507)
Total comprehensive loss	-	-	(165)	1,779	(11,507)	(9,893)
At 31 December 2012	50,805	12,669	3,849	(1,410)	(88,363)	(22,450)
At 1 July 2013	50,805	12,669	-	(4,120)	(142,195)	(82,841)
Foreign currency translation difference	-	-	-	(2,536)	-	(2,536)
Loss for the period	-	-	-	-	(5,519)	(5,519)
Total comprehensive loss	-	-	-	(2,536)	(5,519)	(8,055)
At 31 December 2013	50,805	12,669	-	(6,656)	(147,714)	(90,896)

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2013

	6 months ended	
	31/12/2013	31/12/2012
	RM '000	RM '000
Cash flows from operating activities		
Loss before tax	(5,538)	(10,704)
Adjustment for :		
Allowance for doubtful debts	-	358
Depreciation	146	983
Impairment of vessel	-	7,384
Interest expense	2,207	2,669
Unrealised foreign exchange (gain)/loss - net	(1,025)	1,851
Operating (loss)/profit before changes in working capital	(4,210)	2,541
Trade and other receivables	6,404	310
Trade and other payables	(2,945)	3,180
Cash (used in)/generated from operating activities	(751)	6,031
Interest paid	-	(109)
Net cash (used in)/generated from operating activities	(751)	5,922
Cash flows from investing activities		
Acquisition of plant and equipment	(10)	(3)
Net cash used in investing activities	(10)	(3)
Cash flows from financing activities		
Repayment of term loans	-	(7,554)
Repayment of finance lease liabilities	(2)	-
Net cash used in financing activities	(2)	(7,554)
Net decrease in cash and cash equivalents	(763)	(1,635)
Cash and cash equivalents at beginning of financial period	2,331	2,860
Cash and cash equivalents at end of financial period	1,568	1,225

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statement for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.



**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 31 DECEMBER 2013**

A1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed interim financial statements also comply with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting* issued by the International Accounting Standards Board (“IASB”).

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

The Group incurred a loss after tax of approximately RM5.519 million for the six months ended 31 December 2013 and, as of that date, the current liabilities of the Group exceeded its current assets by RM93.440 million and the Group had a negative shareholder’s equity of RM90.896 million.

As disclosed in the previous year’s financial statements, Petrol One Resources Berhad (“PORB”) and a subsidiary, Arus Dermaga Sdn Bhd (“ADSB”) were unable to meet their loans obligations since January 2011 and March 2010, respectively. As at 31 December 2013, the loans outstanding in the books of PORB and ADSB amounted to RM7.50 million and USD12.087 million, respectively.

On 30 August 2012, PORB announced that the Company had been classified as an affected listed issuer pursuant to Paragraph 2.1(a) of Practice Note 17 (“PN17”) under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). The PN17 criteria was triggered as a result of the shareholders’ equity of PORB on a consolidated basis is less than 25% of the issued and paid-up capital (excluding treasury shares) of PORB and was less than RM40 million, based on the unaudited quarterly results for the FYE 30 June 2012.

PORB is required to submit its regularisation plan to Bursa Malaysia within 12 months from the date of its First Announcement.

On 29 August 2013, PORB’s adviser namely Public Investment Bank Berhad (PIVB), had on behalf of the Company, submitted an application to seek Bursa Malaysia’s approval for an extension of time to submit a regularisation plan to address its PN17 status. Bursa Malaysia had via its letter dated 24 September 2013, approved an extension of time of up to 29 December 2013 for PORB to submit its regularisation plan, subject to the Requisite Announcement being made by 15 November 2013.

On 15 November 2013, PORB made its Requisite Announcement whereby PORB proposed to undertake a two (2) pronged approach, comprising the Group’s business turnaround strategy (“Business Regularisation Strategy”) and the Proposed Regularisation Plan to address its PN17 issues.

The Business Regularisation Strategy, which will be implemented prior to the Proposed Regularisation Plan, represents the Board’s initiative to restore PORB and the Group onto a stronger financial position. The Proposed Regularisation Plan which comprises: (i) Proposed Capital Reduction, (ii) Proposed Share Premium Reduction, (iii) Proposed Private Placement, (iv) Proposed Rights Issue with Warrants, (v) Proposed Scheme of Arrangement, and (vi) Proposed Amendment, focuses on the Company’s corporate finance with the objectives to allow the Company to eliminate its substantial amount of accumulated losses, to raise funds for its working capital and other funding requirements, and to resuscitate the financial and operational viability of the Group by comprehensively addressing the debts of the Group.



**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 31 DECEMBER 2013**

On 24 December, 2013, PIVB, on behalf of PORB submitted an application to seek Bursa Malaysia for a further extension of time of three months from 29 December 2013 to 28 March 2014 to enable the Company to have additional time to complete a comprehensive Business Regularisation Strategy and proposed Regularisation Plan. Bursa Malaysia vide its letter dated 28 January 2014 approved an extension of time up to 28 March 2014 for submission of the Regularisation plan. An announcement on the approval was made on 29 January 2014. The Company is now at final stages of preparation of the Regularisation Plan for submission to Bursa Malaysia.

On 2 January 2014, the Board announced that pursuant to the Company's announcement dated 31 October 2012 and 29 October 2013, respectively, the Company has further triggered the prescribed criteria pursuant to Paragraph 2.1(d) of PN17 under the Main Market Listing Requirements of Bursa Securities ("Listing Requirements"), whereby the auditors have expressed an adverse or disclaimer opinion in the Company's audited financial statements for the financial year ended 30 June 2012 and 30 June 2013. The issue would be addressed in the Proposed Regularisation Plan to be submitted to the authorities in due course.

The interim financial statements have been prepared on the assumption that the Group is a going concern. However, pending the successful approval and implementation of the Proposed Regularisation Plan, the successful restructuring of the defaulted unsecured debts, and the ability of the Group to attain profitable operations to generate sufficient cash flows to fulfil its obligations as and when they fall due, there are material uncertainties that may cast doubt on the ability of the Group to continue as a listed entity and as a going concern.

A2. AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report of the Company's audited financial statements for the financial year ended 30 June 2013 contained the following disclaimer of opinion on the financial statements.

Basis of Disclaimer of Opinion

- (i) For the year ended 30 June 2013, the Group and the Company incurred a loss of RM65,339,065 (30.6.2012: RM37,105,085) and RM2,671,034 (30.6.2012: RM1,619,104), respectively and, as of that date, the current liabilities of the Group exceeded its current assets by RM85,434,850 (30.6.2012: RM113,595,815) and the Group had a deficit in shareholder's equity of RM82,841,830 (30.6.2012: RM12,557,867).
- (ii) The Company and a subsidiary, Arus Dermaga Sdn Bhd (ADSB), were unable to meet their loan obligations since January 2011 and March 2010, respectively. As at 30 June 2013, as disclosed in Note 10.2 to the financial statements, the loan outstanding in the books of the Company and ADSB amounted to RM7,496,000 (30.6.2012: RM7,496,000) and USD11,010,597 (30.6.2012: USD23,950,000), respectively. On 27 August 2013, the Company has achieved a settlement agreement with its secured lenders whereby these lenders will accept a total cash settlement of RM6,500,000 for the aforementioned outstanding loan obligations. The settlement agreement is subject to certain terms and conditions which has yet to be completed.
- (iii) On 30 August 2012, the Company announced that it has triggered the prescribed criteria pursuant to Paragraph 8.04 and Paragraph 2.1 (a) of Practice Note 17 (PN 17) under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The triggering factor under Paragraph 2.1(a) of PN17 refers to a situation whereby the consolidated shareholders' equity of the Group was less than 25% of the Company's issued and paid-up capital and was less than RM40,000,000.



**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 31 DECEMBER 2013**

(iv) The Company is currently formulating a restructuring plan to address its PN 17 status (“Regularisation Plan”). The Company was required to submit a Regularisation Plan to the relevant authorities by 30 August 2013, or the Company may face de-listing. The Company has since applied for and received an extension of time up to 29 December 2013 to submit its Regularisation Plan. The Company has not submitted its Regularisation Plan to address its PN 17 status.

In view of the matters set out above, there are material uncertainties that may cast significant doubt on the ability of the Group and the Company to continue as going concerns.

As disclosed in Note A1 above, the Company is at the final stages of completion of the Proposed Regularisation Plan to address its PN17 status and will submit the said plan to the relevant authorities for approval in due course.

A3. SEGMENTAL INFORMATION

No revenue was contributed by its subsidiaries in the current quarter. The Subsidiaries are principally engaged in provision of storage facilities and related services for oil and gas products in the oil and gas industry.

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR 31/12/2013 (Unaudited) RM'000	QUARTER 31/12/2012 (Unaudited) RM'000	CURRENT YEAR TO DATE 31/12/2013 (Unaudited) RM'000	31/12/2012 (Audited) RM'000
Segment Revenue				
Oil and gas	-	10,871	-	14,246
	<u>-</u>	<u>10,871</u>	<u>-</u>	<u>14,246</u>
Segment Results				
Oil and gas	(1,125)	(4,925)	(3,634)	(10,123)
Others	(1,134)	(658)	(1,885)	(1,384)
	<u>(2,259)</u>	<u>(5,583)</u>	<u>(5,519)</u>	<u>(11,507)</u>

A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting the Group’s assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

A5. CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on the current financial quarter under review.

A6. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The business of the Group was not affected by any significant seasonal or cyclical fact in the current financial quarter under review with the exception of the vagaries of the current global economic situation.



**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 31 DECEMBER 2013**

A7. DIVIDENDS PAID

There were no dividends paid during the current financial quarter under review.

A8. DEBT AND EQUITY SECURITIES

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

A9. CAPITAL COMMITMENTS

There were no changes in capital commitments since the last annual balance sheet as at 30 June 2013.

A10. CHANGES IN CONTINGENT LIABILITIES

The contingent liabilities of PORB are as follows:

	As at 31/12/2013 (Unaudited) RM'000
Corporate guarantees given to secure banking facilities for subsidiaries	<u>39,666</u>
Claims arising from a case in arbitration	<u>2,835</u>

A11. CHANGES IN COMPOSITION OF THE GROUP

During the current financial quarter under review, two new subsidiaries, namely Petrol One Storage Sdn Bhd and Petrol One Offshore Sdn Bhd (both wholly owned by Petrol One Holdings Sdn Bhd which in turn is wholly owned by PORB) were incorporated on 8.1.2014.

A12. SUBSEQUENT MATERIAL EVENTS

As at the date of this report, there was no material event subsequent to the reporting date that affects the results of the Group for the financial year to-date.

On 23 October 2013 the Company announced that the High Court of Malaya (“High Court”), had on 22 October 2013, granted the order for the liberty of the Company, as well as its wholly-owned indirect subsidiaries, namely Arus Dermaga Sdn Bhd and One Petroleum (L) Ltd (collectively defined herein as “Companies”), to hold a meeting with its scheme creditors pursuant to Section 176(1) of the Act within 180 days from the grant of the order.

The order from the High Court is also for the restraint, for a period of 90 days from the grant of the order, of any and all proceedings or actions against the Companies by any party including the scheme creditors, but not limited to any winding-up proceeding, taking of action or proceeding under any form of guarantee or indemnity granted by the Companies, any enforcement, detention or any other form of execution of any judgement or order against the Companies, any execution of the rights or remedies or powers of appointment of any receiver and manager, as well as any arbitration proceedings, pursuant to Section 176(10) of the Act (“Restraining Order”).



PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 31 DECEMBER 2013

In January 2014, the Company submitted an application to the High Court for the Restraining Order dated 22 October 2013 to be extended. On 4 February 2014, the High Court granted that the Restraining Order dated 22 October 2012 be extended for another period of 90 days from 4 February 2014.

The debts owing to the scheme creditors by the Companies will be dealt with under the Proposed Regularisation Plan. Pursuant thereto, the Restraining Order is to ensure that the creditors of the Companies are treated equally and efficiently, as well as to restrain all potential litigations or proceedings which may affect the formulation of the Proposed Regularisation Plan.

A13. PROPERTY, PLANT AND EQUIPMENT VALUATION

The Group did not revalue any of its property, plant and equipment during the current financial 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 DECEMBER 2013

B1. REVIEW OF PERFORMANCE

The Group did not register any revenue for the current quarter ended 31 December 2013 as compared to approximately RM10.871 million achieved in the corresponding quarter of the preceding year. The loss in revenue was due to loss of business income as a result of the disposal of the storage vessels owned by its subsidiary companies.

The Group incurred a loss before tax of approximately RM2.259 million for the current quarter ended 31 December 2013 as compared to a loss before tax of approximately RM4.007 million incurred in the corresponding quarter of the preceding year. The loss in the current quarter was mainly due to related advisory/consultancy and ancillary expenses incurred for the preparation of the Regularisation Plan to be submitted to Bursa and the accrual made under finance cost for interest on the outstanding bank loan pending its full and final settlement in March 2014, pursuant to the debt settlement agreement dated 24.12.2013.

B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group did not register any revenue for three consecutive quarters. The loss in revenue was due to loss of business income as a result of the disposal of the storage vessels owned by its subsidiaries. The loss in the current quarter was mainly due to related advisory/consultancy and ancillary expenses incurred for the preparation of the Regularisation Plan to be submitted to Bursa and the accrual made for interest (under finance cost) on the outstanding bank loan pending its full and settlement in March 2014, pursuant to the debt settlement agreement dated 24.12.2013.

The Group incurred a loss before tax of approximately RM2.259 million for the current quarter as compared to the immediate preceding quarter's loss before tax of RM3.279 million.

B3. COMMENTARY ON PROSPECTS

Given 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 products as well as related services remains robust in the coming quarter.

B4. VARIANCE FROM PROFIT FORECAST

No profit forecast was issued during the current financial quarter under review.

B5. TAXATION

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR	QUARTER	CURRENT YEAR TO DATE	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM'000	RM'000	RM'000	RM'000
Deferred tax				
- origination and reversal				
of temporary differences	-	1,576	(19)	803
Total	-	1,576	(19)	803



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 31 DECEMBER 2013

B6. STATUS OF CORPORATE PROPOSAL

On 30 August 2013, PORB announced that the Company intends to seek the approval from its shareholders for the Proposed Shareholders' Mandate for Recurrent Related Party Transactions (RRPT) of a Revenue or Trading Nature ("Proposed Shareholders' Mandate") at the forthcoming general meeting of the Company. A circular to the shareholders of PORB containing the information on the Proposed Shareholders' Mandate had been duly despatched to the shareholders of the Company prior to the Extraordinary General Meeting (EGM). At the EGM of the Company held on 24 December 2013, the Company obtained the approval from its shareholder for the Proposed Shareholders' Mandate.

At the Annual General Meeting (AGM) also held on 24 December 2014, PORB obtained the approval of its shareholders for the amendments to the Articles of Association of the Company, the detail of the amendments of which had been duly despatched to the shareholders of the Company prior to the AGM.

Save as disclosed below, there are no other corporate proposals announced but pending completion by the Company as at the date of this announcement:-

- i. On 15 November 2013, PORB made its Requisite Announcement whereby PORB proposed to undertake a two (2) pronged approach, comprising the Group's business turnaround strategy ("Business Regularisation Strategy") and the Proposed Regularisation Plan to address its PN17 issues. As mentioned under section A1, On 24 December, 2013, PIVB, on behalf of PORB submitted an application to seek Bursa Malaysia for a further extension of time of three months from 29 December 2013 to 28 March 2014 to enable the Company to have additional time to complete a comprehensive Business Regularisation Strategy and proposed Regularisation Plan. The Company has obtained Bursa Malaysia's approval vide its letter dated 28 January 2014 for an extension of time up to 28 March 2014 to submit the Proposed Regularisation Plan to Bursa Malaysia.

B7. GROUP BORROWINGS

	As at 31/12/2013 (Unaudited) RM'000	In foreign Currency
Short term borrowings:		
<u>Secured</u>		
Denominated in Ringgit Malaysia		
Term loan	7,496	-
Finance lease liabilities	13	-
Denominated in US Dollar		
Term loan	39,666	12,087
<u>Unsecured</u>		
Denominated in Ringgit Malaysia		
Term loan	2,250	-
Long term borrowings:		
<u>Secured</u>		
Denominated in Ringgit Malaysia		
Finance lease liabilities	141	-
Total borrowings	<u>49,566</u>	



PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE QUARTER ENDED 31 DECEMBER 2013

PORB and ADSB were unable to meet their loan obligations since January 2011 and March 2010, respectively. As at 31 December 2013, the loan obligations outstanding in the books of PORB and ADSB amounted to RM7.50 million and USD12.087 million respectively.

On 27 August 2013, PORB and ADSB achieved a settlement arrangement with their lenders whereby the lenders will accept a total cash settlement of RM6.5 million for the aforementioned outstanding loan obligations. The settlement arrangement was duly announced on 27 August 2013.

Further thereto, and pursuant to the Consent Order dated 20 September 2013 from the High Court, the Board announced on 26 December 2013 that PETONE and ADSB, had on 24 December 2013, entered into the Debt Settlement Agreement (“DSA”) with their lenders to formalise the terms and conditions of the Settlement Arrangement for the settlement of the debts owing by PETONE and ADSB to their lenders by 20 March 2014 (being the Due Date prescribed in the DSA).

The completion of the DSA is strictly subject to PETONE and ADSB meeting all the requisite terms and conditions as prescribed in the DSA.

B8. MATERIAL LITIGATION

- (i) There is an existing action involving arbitration proceedings in Singapore for which contingent liabilities of RM2,834,539 has been noted. The action has not been set down for trial as yet.
- (ii) On the winding up action served by Elias Bin Abdullah Ng on ADSB, both parties have reached an amicable settlement. At the hearing on 28 November 2013, the petitioner’s solicitors had withdrawn their winding up petition with no order as to cost.

B9. DIVIDENDS

There were no dividends declared during the current financial quarter under review.

B10. LOSS PER ORDINARY SHARE

(a) Basic

The basic loss per ordinary share has been calculated by dividing loss 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 financial quarter.

(b) Diluted

There was no dilution in loss per ordinary 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 DECEMBER 2013

B11. OPERATING LOSS FROM OPERATIONS

	6 months Ended 31/12/2013 (Unaudited) RM'000
Operating loss arrived at after charging:	
Depreciation	146
Foreign exchange loss/(gain):	
Realised	233
Unrealised	(1,025)
Interest expense	2,207

B12. SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

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

B13. QUOTED SECURITIES

There were no purchases or disposals of quoted securities during the current quarter under review.

B14. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

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

B15. 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 31/12/2013 (Unaudited) RM'000	As at 30/6/2013 (Audited) RM'000
Total accumulated losses of the Company and its subsidiaries:		
- realised	(96,381)	(89,516)
- unrealised	1,025	(321)
	<u>(95,356)</u>	<u>(89,837)</u>
Consolidated adjustments	(52,358)	(52,358)
Total accumulated losses	<u>(147,714)</u>	<u>(142,195)</u>



**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
FOR THE QUARTER ENDED 31 DECEMBER 2013**

B16. 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 26 February 2014.