



**TAKASO RESOURCES BERHAD**  
 (Company No: 440503-K)  
 (Incorporated in Malaysia)

*Condensed Consolidated Statement of Comprehensive Income (Unaudited)*  
*For the quarter ended 31 July 2012*

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter Ended 31.07.2012 RM'000	Preceding Year Corresponding Quarter Ended 31.07.2011 RM'000	Current Year-to-date Ended 31.07.2012 RM'000	Preceding Year Corresponding Period Ended 31.07.2011 RM'000
Revenue		17,912	3,651	42,650	16,844
Cost of sales		(16,428)	(4,402)	(36,770)	(13,948)
Gross profit/(loss)		1,484	(751)	5,880	2,896
Other income		45	1,047	142	1,670
Selling and distribution expenses		(207)	(390)	(849)	(1,136)
Administrative expenses		(2,016)	(957)	(6,510)	(4,300)
Other expenses		(39)	(280)	(91)	(322)
Finance costs		(152)	(302)	(602)	(970)
Loss before tax		(885)	(1,633)	(2,030)	(2,162)
Income tax expenses	B5	(98)	-	(98)	-
<b>Loss after taxation for the year</b>		<b>(983)</b>	<b>(1,633)</b>	<b>(2,128)</b>	<b>(2,162)</b>
<b>Other Comprehensive Income, Net Of Tax:</b>					
Foreign currency translation		45	-	53	-
<b>Total Comprehensive Loss</b>	B12	<b>(938)</b>	<b>(1,633)</b>	<b>(2,075)</b>	<b>(2,162)</b>
<b>Loss after taxation attributable to:</b>					
Owners of the Company		(983)	(1,633)	(2,128)	(2,162)
<b>Total Comprehensive Loss attributable to:</b>					
Owners of the Company	B12	(938)	(1,633)	(2,075)	(2,162)
Loss per share ("LPS") (in sen)					
Basic LPS	B11	(0.66)	(3.96)	(1.64)	(5.25)
Fully Diluted LPS	B11	N/A	N/A	N/A	N/A

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 July 2011 and the accompanying explanatory notes attached to the interim financial statements.*





**TAKASO RESOURCES BERHAD**  
 (Company No: 440503-K)  
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*Condensed Consolidated Statement of Financial Position*  
*As at 31 July 2012*

	Note	As at 31.07.2012 (Unaudited) RM'000	As at 31.07. 2011 (Audited) RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		17,803	17,446
Goodwill		407	-
		<b>18,210</b>	<b>17,446</b>
<b>Current Assets</b>			
Inventories		6,978	5,690
Trade and others receivables		14,812	4,040
Current tax assets		29	37
Cash and cash equivalents		18,814	624
		<b>40,633</b>	<b>10,391</b>
<b>TOTAL ASSETS</b>		<b>58,843</b>	<b>27,837</b>
<b>EQUITY AND LIABILITIES</b>			
Share Capital		37,185	10,297
Reserves		7,014	628
<b>TOTAL EQUITY</b>		<b>44,199</b>	<b>10,925</b>
<b>Non-Current Liabilities</b>			
Long-term bank borrowings	B8	562	100
Deferred tax liabilities		115	115
		<b>677</b>	<b>215</b>
<b>Current Liabilities</b>			
Trade and other payables		5,297	6,701
Short-term borrowings	B8	8,670	9,996
		<b>13,967</b>	<b>16,697</b>
<b>TOTAL LIABILITIES</b>		<b>14,644</b>	<b>16,912</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>58,843</b>	<b>27,837</b>
<b>Net assets per share attributable to ordinary equity holders of the Company (RM)</b>		<b>0.30</b>	<b>0.27</b>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 July 2011 and the accompanying explanatory notes attached to the interim financial statements.*





**TAKASO RESOURCES BERHAD**  
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*Condensed Consolidated Statement of Changes in Equity*  
*For the year ended 31 July 2012*

**Attributable to Owners of the Parent**

	<b>Share Capital RM'000</b>	<b>Warrants Reserves RM'000</b>	<b>Share Premium RM'000</b>	<b>Revaluation Reserves RM'000</b>	<b>Foreign Currency Translation Reserves RM'000</b>	<b>Accumulated Losses RM'000</b>	<b>Total Equity RM'000</b>
Balance as at 1 August 2011	10,297	-	-	2,891	-	(2,263)	10,925
Issuance of ordinary shares pursuant to:							
- rights issue of shares with warrants	23,508	4,576	3,948	-	-	-	32,032
- private placement	3,380	-	(63)	-	-	-	3,317
Total comprehensive loss for the year	-	-	-	-	53	(2,128)	(2,075)
<b>Balance as at 31 July 2012</b>	<b>37,185</b>	<b>4,576</b>	<b>3,885</b>	<b>2,891</b>	<b>53</b>	<b>(4,391)</b>	<b>44, 199</b>
Balance as at 1 August 2010	41,188	-	-	2,891	-	(30,992)	13,087
Total comprehensive loss for the year	-	-	-	-	-	(2,162)	(2,162)
Capital reduction	(30,891)	-	-	-	-	30,891	-
<b>Balance as at 31 July 2011</b>	<b>10,297</b>	<b>-</b>	<b>-</b>	<b>2,891</b>	<b>-</b>	<b>(2,263)</b>	<b>10,925</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 July 2011 and the accompanying explanatory notes attached to the interim financial statements.*





**TAKASO RESOURCES BERHAD**  
**(Company No: 440503-K)**  
**(Incorporated in Malaysia)**

*Condensed Consolidated Statement of Cash Flows*  
*For the year ended 31 July 2012*

	<b>Current Year-to-date Ended 31.07.2012 RM'000</b>	<b>Preceding Year Corresponding Period Ended 31.07.2011 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
<b>Loss before tax</b>	<b>(2,030)</b>	<b>(2,162)</b>
Adjustments for:		
Non-cash items	1,572	1,293
Non-operating items	626	801
<i>Operating profit/(loss) before working capital changes</i>	<b>168</b>	<b>(68)</b>
Net change in current assets	(9,122)	2,236
Net change in current liabilities	(2,739)	(787)
<i>Cash (used in)/generated from operations</i>	<b>(11,693)</b>	<b>1,381</b>
Tax refund	8	25
Tax paid	(56)	-
<i>Net cash (used in)/generated from operating activities</i>	<b>(11,741)</b>	<b>1,406</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(981)	(387)
Proceeds from disposal of property, plant and equipment	32	690
Proceeds from disposal of a subsidiary	-	272
Acquisition of a subsidiary, net cash out	(1,926)	-
Purchase of goodwill	(26)	-
<i>Net cash (used in)/generated from investing activities</i>	<b>(2,901)</b>	<b>575</b>
<b>Cash Flows From Financing Activities</b>		
Interest paid	(602)	(801)
(Repayment to)/Advance from Directors	(383)	487
Repayment of borrowings	(1,109)	(1,621)
Repayment of hire purchase payable	(33)	-
Proceeds from issuance of ordinary shares pursuant to:		
- rights issue, net of expenses	32,032	-
- private placement, net of expenses	3,317	-
<i>Net cash generated from/(used in) financing activities</i>	<b>33,222</b>	<b>(1,935)</b>
<i>Net cash increase in cash and cash equivalents</i>	<b>18,580</b>	<b>46</b>
<i>Cash and cash equivalents at beginning of the financial year</i>	<b>(3,817)</b>	<b>(3,863)</b>
<i>Cash and cash equivalents at end of the financial year</i>	<b>14,763</b>	<b>(3,817)</b>

*The Condensed Consolidated Statement of Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 July 2011 and the accompanying explanatory notes attached to the interim financial statements.*





**TAKASO RESOURCES BERHAD**  
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*Condensed Consolidated Statement of Cash Flows*  
*For the year ended 30 April 2012 (Cont'd)*

	<b>Current Year-to-date Ended 31.07.2012 RM'000</b>	<b>Preceding Year Corresponding Period Ended 31.07.2011 RM'000</b>
<b>Analysis of cash and cash equivalents:</b>		
Cash and bank balances	18,814	624
Bank overdrafts	(4,051)	(4,441)
	<b>14,763</b>	<b>(3,817)</b>
	<b>14,763</b>	<b>(3,817)</b>

*The Condensed Consolidated Statement of Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 July 2011 and the accompanying explanatory notes attached to the interim financial statements.*



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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND TWELVE MONTHS ENDED 31 JULY 2012**

**PART A  
 EXPLANATORY NOTES PURSUANT TO FRS 134**

**1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 July 2011.

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 July 2011, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and IC Interpretations with effect from 1 August 2011.

<b>New/Revised FRSs, Amendments to FRSs and IC Interpretations</b>		<b>Effective for financial periods beginning on or after</b>
Amendments to FRS 7 Amendment to FRS 1	Improving Disclosures about Financial Instruments First-time Adoption of Financial Reporting Standards: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters and Additional Exemptions for First-time Adopters	1 January 2011  1 January 2011
Amendment to FRS 2 IC Interpretation 4 IC Interpretation 18	Group Cash-settled Share-based Payment Transactions Determining whether an Arrangement Contains A Lease Transfers of Assets from Customers	1 January 2011 1 January 2011 1 January 2011
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards: Cost of an investment in a subsidiary, jointly controlled entity or associate	1 January 2011
Amendments to FRS 3	Business Combinations	1 January 2011
Amendments to FRS 7	Financial Instruments	1 January 2011
Amendments to FRS 101	Presentation of Financial Statements	1 January 2011
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2011
Amendments to FRS 128	Investments in Associates	1 January 2011
Amendments to FRS 131	Interests in Joint Ventures	1 January 2011
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2011
Amendments to FRS 134	Interim Financial Reporting	1 January 2011
Amendments to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2011
Amendments to IC Interpretation 13	Customer Loyalty Programmes	1 January 2011
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 July 2011
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
IC Interpretation 15	Agreements for the Construction of Real Estate	1 January 2012
FRS 124	Related Party Disclosures	1 January 2012





**TAKASO RESOURCES BERHAD**  
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**PART A**  
**EXPLANATORY NOTES PURSUANT TO FRS 134 (CONT'D)**

**1. Basis of Preparation (Cont'd)**

The adoption of the above new FRSs, Amendments to FRSs and IC Interpretations did not have significant impact on the Group's financial statements except for it is expected that additional disclosures would be made in the quarterly interim financial statements of the Group and Group's financial statements .

**2. Status of Audit Qualifications**

The audited financial statements of the Group for the financial year ended 31 July 2011 was not subject to any audit qualification.

**3. Seasonality or Cyclicity of Operations**

There were no material seasonal or cyclical factors that have affected the financial performance of the Group. However, the demand of the Group's products is generally dependent on consumer demand of baby products and medical contraceptive condoms.

**4. Unusual Items**

Save for the information disclosed in this interim financial report, there are no unusual items affecting assets, liabilities, equity, net income, or cash flows.

**5. Changes in Estimates**

There were no significant changes in the estimates of amounts reported during this quarter and in prior quarters or prior financial year that have a material effect in the current quarter.

**6. Issuances, Cancellation, Repurchases, Resale & Repayments Of Debts And Equity Securities**

The Company has on 13 September 2011 issued 94,033,811 rights shares of RM0.25 each together with 56,420,285 Warrants on the Main Market of Bursa Securities as a consequence of its rights issue of shares with warrants exercise.

On 27 February 2012, another 13,522,000 new ordinary shares of RM0.25 each in the Company were issued on the Main Market of Bursa Securities pursuant to the proposed private placement that was announced on 16 January 2012.

Save for the disclosures above, there were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities during the financial year-to-date.





**TAKASO RESOURCES BERHAD**  
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**PART A**  
**EXPLANATORY NOTES PURSUANT TO FRS 134 (CONT'D)**

**7. Dividend**

No dividend is paid for in the current quarter.

**8. Segment Information**

The following is an analysis of the revenue and consolidated result of the Group by segment of its operating activities for the current quarter ended 31 July 2012: -

<b>31 JULY 2012</b>	<b>Manufacturing RM'000</b>	<b>Trading RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidation RM'000</b>
External Sales	8,019	10,719	-	(826)	17,912
Segment Results (EBITDA)	47	107	(503)	2	(347)
Finance Cost	(148)	(4)	-	-	(152)
Depreciation and Amortisation	(367)	(19)	-	-	(386)
<b>Consolidated Loss Before Tax</b>					<b>(885)</b>
<b>ASSETS</b>					
<i>Segment Assets</i>	38,003	22,401	42,891	(44,481)	58,814
<b>LIABILITIES</b>					
<i>Segment Liabilities</i>	22,030	23,432	58	(30,991)	14,529
<b>OTHER INFORMATION</b>					
<i>Capital Expenditure</i>	219	254	-	-	473
<i>Depreciation and Amortisation</i>	367	19	-	-	386
<i>Other Non Cash Expenses</i>	-	35	-	-	35







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**PART A**  
**EXPLANATORY NOTES PURSUANT TO FRS 134 (CONT'D)**

**8. Segment Information (Cont'd)**

31 July 2011	Manufacturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidation RM'000
External Sales	2,479	1,172	-	-	3,651
Segment Results (EBITDA)	(1,262)	(349)	-	381	(1,230)
Finance Cost	(302)	-	-	-	(302)
Depreciation and Amortisation	(98)	(3)	-	-	(101)
<b>Consolidated Loss Before Tax</b>					<b>(1,633)</b>
<b>ASSETS</b>					
Segment Assets	31,506	2,508	8,814	(15,028)	27,800
<b>LIABILITIES</b>					
Segment Liabilities	15,628	4,467	513	(3,811)	16,797
<b>OTHER INFORMATION</b>					
Capital Expenditure	9	-	-	-	9
Depreciation and Amortisation	98	3	-	-	101
Other Non Cash Expenses	302	-	-	-	302

**GEOGRAPHICAL SEGMENT**

The following table provides an analysis of the Group's revenue, segment assets and capital expenditure by geographical segments:

	Revenue by location of customers		Segments assets by location of assets		Capital expenditure by location of assets	
	31 JULY 2012 RM'000	31 JULY 2011 RM'000	31 JULY 2012 RM'000	31 JULY 2011 RM'000	31 JULY 2012 RM'000	31 JULY 2011 RM'000
Malaysia	6,745	1,774	56,182	27,800	221	9
Other Asian Countries	10,927	1,239	2,632	-	252	-
European Countries	68	234	-	-	-	-
African Countries	125	259	-	-	-	-
Others	47	145	-	-	-	-
<b>Total</b>	<b>17,912</b>	<b>3,651</b>	<b>58,814</b>	<b>27,800</b>	<b>473</b>	<b>9</b>





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**PART A**  
**EXPLANATORY NOTES PURSUANT TO FRS 134 (CONT'D)**

**9. Valuation of Property, Plant and Equipment**

There was no valuation of the property, plant and equipment in the current quarter under review.

**10. Material Events Subsequent to the End of the Interim Period**

There were no material events subsequent to the end of the current quarter as at 26 September 2012, being the last practicable date from the date of the issue of this report that are expected to have an operational or financial impact on the Group.

**11. Changes in the Composition of the Group**

There were no other changes in the composition of the Group in the current period under review.

**12. Changes in Contingent Liabilities or Contingent Assets since the Last Annual Balance Sheet Date**

Since the last annual balance sheet date, there were no material changes in contingent liabilities for the Group as at 26 September 2012, being the last practicable date from the date of issue of this quarterly report that are expected to have an operational or financial impact on the Group.

The changes in contingent liabilities of the Company are as follows:-

	<b>Company</b>	
	<b>As at</b>	<b>As at</b>
	<b>31.07.2012</b>	<b>31.07.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Corporate guarantees extended:		
- to financial institutions for credit facilities granted to a subsidiary	8,572	10,096
- to a supplier for purchases made by a subsidiary	282	-

There were no contingent assets since the last annual balance sheet as at 31 July 2011.





**TAKASO RESOURCES BERHAD**  
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**PART A**  
**EXPLANATORY NOTES PURSUANT TO FRS 134 (CONT'D)**

**13. Capital Commitments**

The Group has no capital commitments in the current quarter under review.

**14. Significant Inter Company and Related Party Transactions**

	<b>Group</b>	
	<b>Current Year-to-date Ended 31.07.2012 RM'000</b>	<b>Preceding Year Corresponding Period Ended 31.07.2011 RM'000</b>
<b><u>Inter Company Transactions</u></b>		
<b>Sales by Takaso Rubber Products Sdn Bhd to:-</b>		
Takaso Marketing Sdn Bhd	3,091	3,284
Japlo Healthcare Sdn Bhd	11	36
<b>Sales by Takaso Marketing Sdn Bhd to:-</b>		
Takaso Rubber Products Sdn Bhd	16	-
Japlo Healthcare Sdn Bhd	26	22
<b><u>Related Parties Transactions</u></b>		
Professional services rendered by a company in which a director has a substantial financial interest	11	-
Rental and rental deposit paid to a company in which a director sibling has a substantial financial interest	103	-

The Directors are of the opinion that all inter-segment transactions have been entered into the normal courses of business and are based on negotiated terms.





**TAKASO RESOURCES BERHAD**  
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**PART B**

**EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS**

**1. Detailed Analysis of the Performance of all Operating Segments**

	Individual Quarter		Cumulative Period	
	31.07.2012 RM'000	31.07.2011 RM'000	31.07.2012 RM'000	31.07.2011 RM'000
Revenue	17,912	3,651	42,650	16,844
Loss before tax	(885)	(1,633)	(2,030)	(2,162)

For the current quarter under review, the Group's revenue was increased by four fold compared to the corresponding quarter ended 31 July 2011, and achieved a loss before tax of RM0.9 million compared to RM1.6 million for the corresponding quarter.

For the cumulative period under review, the Group's revenue increased by approximately RM25.8 million whilst loss before tax has reduced by RM0.1 million, as compared with the corresponding cumulative period ended 31 July 2011.

The increase in revenue is mainly due to the trading of recycled item to Thailand and revenue generated from the two new subsidiaries, namely Benchmark Vista Sdn. Bhd ("BVSB") and Takaso Industries Pte Ltd ("TIPL"). The revenue generated from these two subsidiaries is mainly from recycling cathode ray tube (CRT) glass and trading of industrial cable support system and electrical and mechanical products.

Nevertheless, the Group's loss before tax for the cumulative period under review has improved slightly by RM0.1 million despite a significant increase in revenue as a result of additional expenses incurred for preliminary studies on new business venture in timber industry and professional fees for share issuance scheme and increased in directors' fees, amounting to RM0.6 million. Contributing factor also due to the increased revenue is mainly from trading segment where the profit margin is relatively low compared to the manufacturing segment.

Further Analysis by Segments

Manufacturing Segment

The revenue has increased by approximately RM4.7 million for the current quarter under review and RM4.8 million for the cumulative period, as compared to the same period for the last financial year. The increased in revenue for the current period under review is mainly from the revenue generated by BVSB, which its acquisition was completed on 2 January 2012. Nevertheless, the additional contribution from BVSB has been offset by the reduced sales to European Countries due to its debt crisis in the beginning of the financial year.

Trading Segment

Revenue increased by approximately RM9.5 million for the current quarter under review and RM21.0 million for cumulative period under review respectively as compared to the corresponding quarter and cumulative period ended 31 July 2011. The hike was mainly contributed by the higher sales of recycled items to Thailand and contribution from TIPL of approximately RM17.0 million and RM3.6 million respectively.





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**PART B**

**EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS (CONT'D)**

**2. Comments on Material Changes in the (Loss)/Profit Before Tax for the Quarter Reported as Compared with the Preceding Quarter**

	<b>Individual Quarter</b>	
	<b>31.07.2012</b>	<b>30.04.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	17,912	6,941
(Loss)/Profit before tax	(885)	90

The Group achieved loss before tax for the current quarter as compared to profit before tax for the preceding quarter. The loss before tax for the current quarter is due to additional expenses incurred for preliminary studies on new business venture in timber industry and professional fees for share issuance scheme of approximately RM0.4 million. Other contributing factors include revenue generated in the manufacturing segment for the current quarter was below the breakeven level.

**3. Current Year Prospects**

The Group being export orientated with major distributors based in the Middle East and Europe, foresees a challenging outlook despite the respective political and debt crisis of the two continent is recovering. However, steps have already been started to reduce the dependency on these two major markets by venturing into Asian countries.

Inflation is expected to continue trending upwards. The Group will continue to alert and will consider increasing its selling prices to maintain margins while ensuring its competitiveness is not compromised.

Management expects that the next financial year to be an extreme challenging year as the Group is continuously making its best effort to improve its current operation and identifying suitable business ventures to enable the Group turn profitable with sustainable growth.

**4. Variances Between Actual Profit and Forecast Profit**

There was no profit forecast or guarantee made public for the financial period under review.

**5. Tax Expense**

The effective tax rate of the Group for the current quarter and financial year-to-date under review is lower than the statutory rate due to the utilisation of double deduction tax incentives for the eligible expenses and tax losses brought forward.





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**PART B**

**EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS (CONT'D)**

**6. Status of Corporate Proposals**

There were no corporate proposals announced but not completed as at 26 September 2012, being the last practicable date from the date of the issue of this report.

**7. Utilisation Of Proceeds**

Rights Issue

On 13 September 2011, PM Securities on behalf of the Board announced that the Rights Issue of Shares with Warrants has been completed following the listing of and quotation for 94,033,811 Rights Shares together with 56,420,285 Warrants on the Main Market of Bursa Securities.

Description	Proposed Utilisation	Actual Utilisation As At 31.07.2012	Expected time frame for utilisation of proceeds from the date of listing of the Rights Shares
	RM'000	RM'000	
To be utilised as follows:			
Working capital			
- Overseas expansion	6,500	-	
- Operating expenses	11,312	11,032	
- New business investment	9,500	7,821	
	27,312	18,853	Within 24 months
Capital expenditure	3,000	743	Within 24 months
Repayment of borrowings	2,000	2,000	Within 6 months
Estimated expenses in relation to the Proposals	600	880	Within 2 weeks
	32,912	22,476	

Private Placement

The Proposed Private Placement has been completed on 27 February 2012 following the listing of and quotation for 13,522,000 new TRB shares on the Main Market of Bursa Securities.





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**PART B**

**EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS (CONT'D)**

**7. Utilisation Of Proceeds (Cont'd)**

Private Placement (Cont'd)

Description	Revised Utilisation As Announced on 10.08.2012	Actual Utilisation As At 31.07.2012	Expected time frame for utilisation of proceeds from the date of listing of the placement shares
	RM'000	RM'000	
To be utilised as follows:			
New business venture	343	343	Within 24 months
Working capital			Within 12 months
- Purchase of raw materials	1,800	1,800	
- Salaries/ Rental/ Other operating expenses	1,127	716	
Estimated expenses in relation to the Proposed Private Placement	110	63	Within 1 month
	3,380	2,922	

**8. Borrowings and Debt Securities**

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

	As at 31.07.2012 RM'000
Secured:	
Current liabilities	
- Bankers' acceptances	3,989
- Bank overdrafts	4,051
- Term loan	533
- Hire purchase payable	97
	8,670
Non-current liabilities	
- Term loan	23
- Hire purchase payable	539
	562
Total Borrowings	9,232





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**PART B**

**EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS (CONT'D)**

**8. Borrowings and Debt Securities (Cont'd)**

The portion of borrowings that is repayable within one year is included in current liabilities. Whereas, the portion that is repayable after the next 12 months is included in long-term liabilities.

The currency exposure profile of the Group's borrowings and other facilities are as follows:

	As at 31.07.2012 RM'000
Ringgit Malaysia	8,863
Singapore Dollar	369
Total Borrowings	<u>9,232</u>

**9. Material Litigation**

Since the date of the last annual statement of financial position, there was no pending material litigation as at 26 September 2012, being the last practicable date from the date of issue of this quarterly report.

**10. Dividend**

No dividend has been proposed for the financial period under review.







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**EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS (CONT'D)**

**11. Earnings Per Share**

	Individual Quarter		Cumulative Period	
	Current Year Quarter Ended 31.07.2012 RM'000	Preceding Year Corresponding Quarter Ended 31.07.2011 RM'000	Current year-to-date Ended 31.07.2012 RM'000	Preceding Year Corresponding Period Ended 31.07.2011 RM'000
<b>Basic earnings per share</b>				
Net loss for the year	(983)	(1,633)	(2,128)	(2,162)
Weighted average number of ordinary shares in issue	148,744	41,188	129,938	41,188
Basic loss per share (sen)	(0.66)	(3.96)	(1.64)	(5.25)

The fully diluted earnings per share is not disclosed as the effects on the assumed exercised of the share options under warrants is anti-dilutive.

**12. Notes to the Statement of Comprehensive Income**

	Group	
	Current Year Quarter Ended 31.07.2012 RM'000	Current Year-to-date Ended 31.07.2012 RM'000
Interest income	N/A	N/A
Other income	45	142
Interest expense	152	602
Depreciation and amortisation	386	1,485
Provision for and write off of receivables	8	8
Provision for and write off of inventories	N/A	N/A
Gain or loss on disposal of quoted or unquoted investments or properties	N/A	N/A
Impairment of assets	N/A	N/A
Foreign exchange gain/(loss)	(9)	(1)
Gain or loss on derivatives	N/A	N/A
Exceptional items	N/A	N/A





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**EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE BURSA MAIN MARKET LISTING REQUIREMENTS (CONT'D)**

**13. Fair Value Changes for Financial Liabilities**

There were no gains/losses arising from fair value changes for financial liabilities for the current quarter and financial year-to-date under review.

**14. Disclosure of Realised and Unrealised Profits/Losses**

The Group's realised and unrealised accumulated losses disclosure is as follows:-

	<b>As at 31.07.2012 RM'000</b>	<b>As at 31.07.2011 RM'000</b>
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(15,911)	(14,372)
- Unrealised	(116)	(116)
	<hr/>	<hr/>
	(16,027)	(14,488)
Less: Consolidation adjustments	11,636	12,225
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	(4,391)	(2,263)
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The determination of realised and unrealised profits is compiled based on Guidance of 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 the Malaysian Institute of Accountants on 20 December 2010.

By order of the Board  
 Takaso Resources Berhad

Tee Tze Chern, JP  
 Executive Chairman  
 27 September 2012

