

HOCK LOK SIEW CORPORATION BHD

(Company No: 463440-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012 (The figures have not been audited)

	As At 30.6.12 RM'000	(Audited) As At 31.12.11 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	4,754	8,383
Investment properties	-	186
Investment in associated company	1,691	-
Other Investments	3,933	4,313
	<u>10,378</u>	<u>12,882</u>
Current assets		
Inventories	1,678	3,454
Trade receivables	626	943
Other receivables	3,032	739
Tax recoverable	22	20
Cash and bank balances	-	2,159
	<u>5,358</u>	<u>7,315</u>
Non-current assets held for sale	-	723
TOTAL ASSETS	<u>15,736</u>	<u>20,920</u>
EQUITY AND LIABILITIES		
Equity attributable to the equity holders of the Company		
Share capital	45,502	45,502
Reserves	1,475	1,218
Accumulated losses	(58,771)	(54,837)
Total equity	<u>(11,794)</u>	<u>(8,117)</u>
Non-current liabilities		
Deferred tax liabilities	-	-
Current liabilities		
Trade payables	2,238	2,213
Other payables	1,180	1,669
Provision for liabilities	18,623	19,623
Amount owing to a director	-	69
Borrowings	5,489	5,463
	<u>27,530</u>	<u>29,037</u>
Total liabilities	<u>27,530</u>	<u>29,037</u>
TOTAL EQUITY AND LIABILITIES	<u>15,736</u>	<u>20,920</u>
Net assets per share (RM)	(0.130)	(0.089)

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011.

HOCK LOK SIEW CORPORATION BHD

(Company No: 463440-X)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2012 (The figures have not been audited)

	3 MONTHS ENDED		6 MONTHS ENDED	
	30.6.12 RM'000	30.6.11 RM'000	30.6.12 RM'000	30.6.11 RM'000
Revenue	999	3,790	2,350	7,804
Operating expenses	(1,917)	(3,753)	(6,466)	(8,384)
Other operating income	60	362	204	500
Profit/ (Loss) from operations	<u>(858)</u>	<u>399</u>	<u>(3,912)</u>	<u>(80)</u>
Finance cost	(11)	(71)	(22)	(142)
Profit/ (Loss) before taxation	<u>(869)</u>	<u>328</u>	<u>(3,934)</u>	<u>(222)</u>
Taxation	-	-	-	-
Profit/ (Loss) for the period	<u><u>(869)</u></u>	<u><u>328</u></u>	<u><u>(3,934)</u></u>	<u><u>(222)</u></u>
Attributable to:				
Equity holders of the Company	(869)	328	(3,934)	(222)
Minority interest	-	-	-	-
	<u><u>(869)</u></u>	<u><u>328</u></u>	<u><u>(3,934)</u></u>	<u><u>(222)</u></u>
Basic earnings/ (loss) per share attributable to equity holders of the Company based on weighted average number of shares in issue (sen)	<u><u>(0.95)</u></u>	<u><u>0.36</u></u>	<u><u>(4.32)</u></u>	<u><u>(0.24)</u></u>
Diluted earnings per share (sen)	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011.

HOCK LOK SIEW CORPORATION BHD

(Company No: 463440-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2012 (The figures have not been audited)

	3 MONTHS ENDED		6 MONTHS ENDED	
	30.6.12 RM'000	30.6.11 RM'000	30.6.12 RM'000	30.6.11 RM'000
Loss for the period	(869)	328	(3,934)	(222)
Other investments' fair value movement	625	214	257	327
Total comprehensive profit/ (loss)	<u>(244)</u>	<u>542</u>	<u>(3,677)</u>	<u>105</u>
Total comprehensive income attributable to: Equity holders of the Company	(244)	542	(3,677)	105
Minority interest	-	-	-	-
	<u>(244)</u>	<u>542</u>	<u>(3,677)</u>	<u>105</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011.

HOCK LOK SIEW CORPORATION BHD

(Company No: 463440-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2012 (The figures have not been audited)

	-- Attributable to the equity holders of the Company --			
	Share Capital RM'000	Non- Distributable Fair Value Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
<u>6 months ended 30.6.2012</u>				
Balance as at 1 January 2012	45,502	1,218	(54,837)	(8,117)
Profit/ (Loss) for the period	-	257	(3,934)	(3,677)
Balance as at 30 June 2012	<u>45,502</u>	<u>1,475</u>	<u>(58,771)</u>	<u>(11,794)</u>
 <u>12 months ended 31.12.11</u>				
Balance as at 1 January 2011	45,502	1,062	(31,747)	14,817
Profit/ (Loss) for the period	-	156	(23,090)	(22,934)
Balance as at 31 December 2011	<u>45,502</u>	<u>1,218</u>	<u>(54,837)</u>	<u>(8,117)</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011.

HOCK LOK SIEW CORPORATION BHD

(Company No: 463440-X)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE PERIOD ENDED 30 June 2012

(The figures have not been audited)

	6 months ended	
	31.3.12	31.3.11
	RM'000	RM'000
Cash flows from operating activities		
Loss before taxation	(3,934)	(222)
Adjustments for :		
- Non-cash items	300	431
- Non-operating items	(207)	(58)
Operating loss before working capital changes	(3,841)	151
Inventories	1,775	388
Receivables	(2,021)	5,211
Payables	(179)	(2,512)
Cash (used in)/ generated from operations	(4,266)	3,238
Interest paid	(22)	(142)
Income tax paid	(3)	(2)
Net cash (used in)/ from operating activities	(4,291)	3,094
Cash flows from investing activities		
Disposal of subsidiary company, net of cash disposed	1,316	-
Proceed from disposal of assets held for sale	-	950
Purchase of property, plant and equipment	858	(760)
Net cash from/ (used in) investing activities	2,174	190
Cash flows from financing activities		
Director's account	(69)	(3,932)
Borrowings	(36)	591
Net cash used in financing activities	(105)	(3,341)
Net decrease in cash and cash equivalents	(2,222)	(57)
Cash and cash equivalents at beginning	1,622	(182)
Cash and cash equivalents at end	(600)	(239)
Represented by:		
Cash and bank balances	-	92
Fixed deposits with a licensed bank	Note	-
Bank overdrafts	(600)	(331)
	(600)	(239)

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011.

HOCK LOK SIEW CORPORATION BHD
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PART A – Explanatory Notes pursuant to Financial Reporting Standard 134 on “Interim Financial Reporting”

A1. Accounting Policies and Method of Computation

Basis of preparation

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing requirements of Bursa Malaysia Securities Berhad.

The interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements for the year ended 31 December 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 Hock Lok Siew Corporation Bhd (“HLS Corp”) and its subsidiaries namely, Foremost Audio Sdn. Bhd. (“FASB”), HLS Manufacturing & Trading Sdn. Bhd. (“HLSM”), and HLS Properties Sdn. Bhd. (“HLSP”), HLS Land Sdn Bhd (formerly known as Alpine Transform Sdn Bhd) (“HLSL”) (hereinafter referred to as the “Group”) since the financial year ended 31 December 2011.

This Condensed Report is the Group’s first MFRS compliant Condensed Report and hence MFRS 1: First-Time Adoption of Malaysian Financial Reporting Standards (MFRS 1) has been applied.

The adoption of MFRSs and Amendments do not any material impact on the financial statement of the Group.

A2. Significant Accounting Policies

The audited financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with FRS. As the requirements under FRS and MFRS are similar, the significant accounting policies adopted in preparing this Condensed Report are consistent with those of the audited financial statements for the year ended 31 December 2011.

A3. Audit Report of the Preceding Annual Financial Statements

The audit report of the Group’s preceding year’s annual financial statements for the year ended 31 December 2011 was not qualified.

A4. Seasonality or Cyclicity of Operations

The business operations of the Group are affected by the cyclical factors in the speakers manufacturing industry whereby major part of the invoicing and deliveries typically takes place towards later part of the financial year.

A5. Exceptional or Unusual Items

There were no exceptional items reported in the financial statements during the quarter ended 30 June 2012.

A6. Changes in Estimation

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current financial quarter.

A7. Changes in Debt and Equity Securities

There was no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter ended 30 June 2012.

A8. Dividends

There was no dividend paid or declared during the current financial quarter ended 30 June 2012.

A9. Segmental Reporting

3 months ended 30/6/ 2012

	Manufacturing	Trading	Other	Total
	RM'000	RM'000	RM'000	RM'000
Revenue	976	16	7	999
Inter-segment revenue	16	(16)	-	-
Revenue from external customers	992	-	7	999

	Manufacturing	Trading	Other	Total
	RM'000	RM'000	RM'000	RM'000
Operating profit/ (loss)	(228)	(33)	(597)	(858)
Finance cost	(11)	-	-	(11)
Income tax expense	-	-	-	-
Inter-segment profit	-	-	-	-
Consolidation adjustment	-	-	-	-
Profit/ (Loss) from external customers	(239)	(33)	(597)	(869)

6 months ended 30/6/2012

	Manufacturing	Trading	Other	Total
	RM'000	RM'000	RM'000	RM'000
Revenue	2,249	16	85	2,350
Inter-segment revenue	16	(16)	-	-
Revenue from external customers	2,265	-	85	2,350

	Manufacturing	Trading	Other	Total
	RM'000	RM'000	RM'000	RM'000
Operating profit	(2,205)	(32)	861	(1,376)
Finance cost	(22)	-	-	(22)
Income tax expense	-	-	-	-
Inter-segment profit	-	-	-	-
Consolidation adjustment			(2,536)	(2,536)
Profit/ (Loss) from external customers	(2,227)	(32)	(1,675)	(3,934)

3 months ended 30/6/ 2011

	Manufacturing	Trading	Other	Total
	RM'000	RM'000	RM'000	RM'000
Revenue	3,762	28	900	4,690
Inter-segment revenue	-	-	(900)	(900)
Revenue from external customers	3,762	28	-	3,790

	Manufacturing	Trading	Other	Total
	RM'000	RM'000	RM'000	RM'000
Operating profit/ (loss)	(768)	7	1,160	399
Finance cost	(71)	-	-	(71)
Income tax expense	-	-	-	-
Inter-segment profit	897	-	(897)	-
Profit/ (Loss) from external customers	58	7	263	328

6 months ended 30/6/2011

	Manufacturing	Trading	Other	Total
	RM'000	RM'000	RM'000	RM'000
Revenue	7,755	49	900	8,704
Inter-segment revenue	-	-	(900)	(900)
Revenue from external customers	7,755	49	-	7,804

	Manufacturing	Trading	Other	Total
	RM'000	RM'000	RM'000	RM'000
Operating profit	(1,307)	27	1,200	(80)
Finance cost	(142)	-	-	(142)
Income tax expense	-	-	-	-
Inter-segment profit	897	-	(897)	-
Profit/ (Loss) from external customers	(552)	27	303	(222)

A10. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward, without amendment from the most recent annual financial statements.

A11. Material Events Subsequent to the End of the Current Interim Period

There was no material event subsequent to the end of the period at the date of issuance of this report.

A12. Effect of Changes in Composition of the Group

On 9 March 2012, the Company had disposed off 60% of the issued and paid-up share capital in its wholly-owned subsidiary, HLS Properties Sdn. Bhd., comprising 6 ordinary shares for RM1.00 each for a total consideration of RM2,600,000.00.

A13. Changes in Contingent Liabilities and Contingent Assets Since the Last Balance Sheet Date

The Company has issued corporate guarantee amounting to RM5.50 million (as at 31.12.2010: RM5.50 million) to a financial institution for banking facilities granted to FASB of which approximately RM5.489 million (as at 31.12.2010: RM4.620 million) has been utilised as at 30 June 2011.

There were no further material contingent liabilities since the date of the last balance sheet date.

A14. Capital commitment

On 18 August 2011, HLSM entered into a Sale and Purchase Agreements with Lim Boon Chai, Lim Chai Heng, Lim Chai Seng and Lim Seng Huat (collectively known as "the Vendors") to acquire 19 parcels of bungalow lot situated at Mukim 6, Daerah Seberang Prai Selatan, Penang for a total consideration of RM2,620,480.00. As at the date of this report, HLSM had paid deposit amounting to RM262,048.00 to the Vendors.

Part B – Additional Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of the Performance of the Company and its Principal Subsidiaries

Revenue	3 months ended	
	30/6/2012	30/6/2011
	RM'000	RM'000
Manufacturing	992	3,762
Trading	-	28
Other	7	-
Total	999	3,790

Profit / (Loss) before tax	3 months ended	
	30/6/2012	30/6/2011
	RM'000	RM'000
Manufacturing	(239)	58
Trading	(33)	7
Other	(597)	263
Total	(869)	328

Current Quarter against Previous Year Corresponding Quarter

The Group recorded revenue of RM999,000 for the current quarter. This represents a decrease of 73.64% as compared to that of the previous year's corresponding quarter. The decrease in revenues was mainly due to a major customer of FASB had prematurely terminated the contract/ business with FASB in the third quarter of year 2011. The Group recorded losses of RM869,000 as compared to a profit of RM328,000 in the previous year's corresponding quarter due to decrease in revenue.

B2. Material Changes in Quarterly Results of the Current Quarter as compared to the Results of the Immediate Preceding Quarter

	Revenue		Profit / (Loss) before tax	
	31/3/2012	31/3/2012	31/3/2012	31/3/2012
	RM'000	RM'000	RM'000	RM'000
Manufacturing	992	1,274	(239)	(2,816)
Trading	-	-	(33)	1
Other	7	77	(597)	(249)
Total	999	1,351	(869)	(3,065)

The Group recorded losses of RM869,000 for the current quarter as compared to losses of RM3.065 million in the immediate preceding quarter. The additional losses for the preceding quarter was due to impairment on inventories amounting to RM1.9 million.

Manufacturing

The revenue of the manufacturing segment did not fluctuate much as compared with the immediate preceding quarter as the market condition of the segment did not have any significant changes. The segment recorded a loss of RM239,000 as compared to loss of RM2.816million in the immediate preceding quarter mainly due to the management having to scale down its operation and cut off unnecessary expenses.

B3. Prospects

In the third quarter of year 2011, a major customer of FASB had prematurely terminated the business and also withholds FASB's outstanding payments. The operation and cash flow position of FASB had been adversely affected by the said unexpected termination. Therefore, the revenue of FASB is expected to reduce significantly and FASB is expected to incur losses in the coming quarter. The management had taken steps to scale down the operation of FASB and cut off unnecessary expenses to counter the effect of reduction in revenue.

On 4 April 2012, the Company had made an announcement that the learned Judge has allowed Malayan Banking Berhad's ("MBB") claim of approximately RM18million against the Company based on the Corporate Guarantees provided by the Company. The Company had proceed to file a notice of appeal to the Court of Appeal against the decision of the learned Judge and an application for stay of execution of the judgement sum by MBB. The External Auditors has provided a matter of emphasis on the audited financial statements of the Group and of the Company for the year ended 31 December 2011 highlighting the negative shareholders' equity position of the Group and of the Company of RM8,117,563 and RM14,137,993 respectively. Consequently, the Company has triggered the Prescribed Criterias 2.1(a) and (e) of PN17 of the Main Market LR. The Board of Directors is now assuming a Corporate Restructuring position and will keep shareholders updated on the progress and proposals.

B4. Variance of Actual Profit from Forecast Profit and Profit Guarantee

Not applicable.

B5. Taxation

Taxation comprises:

	3 months ended	
	30/6/2012	30/6/2011
	RM'000	RM'000
Based on result for the period:		
- Current tax expense	-	-
	-	-

There is taxation charge in current quarter as the Group has no chargeable income.

B6. Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and/or properties outside the ordinary course of the Group's business for the quarter ended 30 June 2012.

B7. Purchase or Disposal of Quoted Securities

There was no purchase or disposal of quoted securities for the quarter ended 30 June 2012.

Total investments in quoted securities are as follows:

	RM'000
At cost	<u>2,702</u>
At carrying value	<u>3,898</u>
At market value as at 30 June 2012	<u>3,898</u>

B8. Status of Corporate Proposals

There is no outstanding corporate exercise which have been announced but not yet completed as at 30 June 2012.

B9. Borrowings and Debt Securities

Total Group borrowings as at 30 June 2012 were as follows:

	RM'000
Short Term – Trade facilities	<u>5,489</u>

The borrowings are secured against a freehold land and building of FASB together with a corporate guarantee by the Company. There were no borrowings or debt securities denominated in foreign currencies.

B10. Off Balance Sheet Financial Instruments

As at 30 June 2012, no forward exchange contracts were entered into by the Group.

B11. Material Litigation

As at 30 June 2012 not earlier than 7 days from the date of issue of this quarterly report, the Group is engaged in the following material litigations:-

	Plaintiff(s)	Defendant(s)	Court Reference	Status as at 30 June 2012
1	Gan Seng Biang ("GSB")	HLS Corp, KKAA, Dato' Mohammed Radzi @ Mohd Radzi bin Manan, Siow You & IPO Corporation Sdn Bhd	Kuala Lumpur High Court Suit No. D1-22-1947-2002	GSB has filed a claim for a liquidated sum of RM665,142 plus interest 10% per annum in respect of a corporate guarantee issued by the Company over specific performance of the tenancy agreement previously signed by Kenn Kenn Auto Accessories & Services Sdn. Bhn. ("KKAA"). On 25 November 2009, the Court has allowed the Plaintiff's claims against HLS Corp as follows:-

	Plaintiff(s)	Defendant(s)	Court Reference	Status as at 30 June 2012
				<p>a. Arrears of rental until 25 July 2003;</p> <p>b. 8% of interest from the date of the Writ of Summons till the date of realisation;</p> <p>c. Costs of RM50,000-00 to the Plaintiff; and</p> <p>d. Costs of RM10,000-00 to the 3rd Defendant.</p> <p>Nonetheless, the claims for damages were not allowed by the Court.</p> <p>The Company had appealed against the said decision and on 23 July 2010, the Company's appeal was rejected with cost by the Court of Appeal.</p> <p>GSB further filed an application to amend the judgement and statement of claim. However, the application was dismissed on 19 January 2011. Subsequently, the Plaintiff has filed a notice of appeal in the Court of Appeal on 26 January 2011 and filed the record of appeal on 28 February 2011. The appeal was dismissed with cost on 7 July 2011. Plaintiff filed a notice of motion to appeal in Federal Court on 3 August 2011. The motion was allowed on 2 November 2011. The Plaintiff filed their notice of appeal on 15 November 2011 and record of appeal on 27 December 2011.</p> <p>Pending the Plaintiff's application to amend the judgment, the Company had also filed to the High Court for stay of execution of Judgement.</p>
2	Malayan Banking Berhad ("Maybank")	HLS Corp	Penang High Court, Civil Suit No.: 22-752-2009	On 6 January 2010, the Company had been served with a Writ of Summons dated 30 November 2009 in respect of a suit filed by Maybank through a firm of lawyers acting on behalf of Maybank for failure to repay Maybank the total sum of RM31,114,10184 with interest as agreed on 1 March

	Plaintiff(s)	Defendant(s)	Court Reference	Status as at 30 June 2012
				<p>2009 until full payment is made, of which was the amount provided by corporate guarantees of the Company which the Company has no knowledge or records thereof.</p> <p>The Company had filed in its defence together with an application to strike out the Writ of Summons and Statement of Claim from Maybank. However, the application to strike out the Writ of Summons and Statement of Claim was dismissed by Court on 12 October 2010.</p> <p>The Company has instructed its lawyer to make several applications and proceed to prepare for full trial.</p> <p>On 4 April 2012, the learned judge has allowed Malayan Banking Berhad's ("MBB") claim against the Company based on the Corporate Guarantees provided by the Company. The Company has filed a notice of appeal in the Court of Appeal on 25 April 2012 and a stay of execution of judgement on 19 June 2012.</p>
3	Foremost Audio Sdn Bhd ("FASB")	Monitor Audio Limited ("MA")	Kuala Lumpur High Court Suit No: 22NCVC-848-2011	<p>On 19 July 2011, MA had prematurely terminated the contract between the parties with immediate effect without any basis whatsoever and claiming FASB for a sum of USD1,231,469.00 to be set off against the outstanding invoices from FASB amounting to USD1,108,700 and to pay them the balance due of USD122,769.</p> <p>On 26 August 2011, FASB had filed an application for leave to serve writ of summons and statement of claim out of jurisdiction against its major customer for an outstanding sum of USD1,109,209.91 still due and owing for goods sold and delivered, inventory of finished goods & material of USD520,725.90, labour retrenchment cost of</p>

	Plaintiff(s)	Defendant(s)	Court Reference	Status as at 30 June 2012
				<p>USD475,927.01, machineries bought for production of USD229,866.99 and legal fees of USD250,000.00.</p> <p>FASB has on 30 September 2011 obtained an Order in Terms to serve the Writ of Summon and Statement of Claim out of Jurisdiction. Defendant filed their defence and counterclaim on 25 January 2012. Plaintiff thereafter filed their reply to defence and defence to counterclaim on 10 February 2012. Matter came up for case management on 16 February 2012. The Court has directed the parties to file Common Bundle of documents, list of witnesses, agreed facts and issued to be tried.</p>
4	HLS Corp	Maybank and Abu Zahar Syed Mohd Fuad & Partners	Suit No.: 22-NCVC-553-08/2012	<p>The Company had on 7 August 2012 and 8 August 2012 respectively, served a writ of summon and statement of claim against Maybank and Abu Zahar Syed Mohd Fuad & Partners for claims as below:</p> <ol style="list-style-type: none"> 1) A declaration that the corporate guarantees allegedly issued by the Company are unenforceable; 2) Damages; 3) Costs; 4) Interest; 5) Such further or other relief as deemed appropriate by the Honorable Court. <p>The matter is now fixed for case management on 27 August 2012.</p>

B12. Dividend

There was no dividend paid or declared during the current financial year ended 30 June 2012.

B13. Earnings/ (Loss) Per Share

Basic earnings/ (loss) per share is calculated by dividing profit/ (loss) for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue as at 30 June 2012.

	3 months ended		6 months ended	
	30/6/2012	30/6/2011	30/6/2012	30/6/2011
(Loss)/ Profit for the period attributable to the equity holders of the Company (RM'000)	(869)	328	(3,934)	(222)
Weighted average number of shares in issue during the quarter / year to date ('000)	91,005	91,005	91,005	91,005
Basic (loss)/ earnings per share attributable to the equity holders of the Company (sen)	(0.95)	0.36	(4.32)	(0.24)

Diluted earning per share has not been computed as the effect of the assumed conversion of warrants over shares is anti-dilutive in nature.

B14. Realised and Unrealised Profit

	As at 30/6/2012 RM'000	As at 31/12/2011 RM'000
Total accumulated losses of Hock Lok Siew Corporation Bhd and its subsidiaries		
Realised	(67,453)	(63,638)
Unrealised	-	119
	<hr/>	<hr/>
Less: Consolidated Adjustments	(67,453) 8,682	(63,519) 8,682
	<hr/>	<hr/>
Total accumulated losses as per statements of financial position	(58,771)	(54,837)
	<hr/>	<hr/>

B15. Profit before taxation

	6 months ended 30/6/2012 RM'000	12 months ended 31/12/2011 RM'000
Profit before taxation is arrived at after charging/ (crediting)		
Bad debts	-	2
Deposit forfeited	-	72
Depreciation of property, plant and equipment	300	515
Dividend income	(85)	(170)
Gain on disposal of subsidiary company	(64)	
Gain on disposal of quoted investments	(229)	-
Gain on disposal of non-current asset held for sale	-	(226)
Interest expense	22	186
Impairment loss on inventories	1,640	-
Impairment loss on trade receivable	-	3,515
Rental income	(68)	(274)
Realised loss/(gain) on foreign exchange	-	116
Unrealised loss/(gain) on foreign exchange	-	(121)

Other than the above items, there were no impairment of assets, provision for and write off of receivables and inventories, gain or loss on disposal of quoted or unquoted investments, gain or loss on derivatives and exceptional items for the current quarter and financial period ended 30 June 2012.