

# SILVER BIRD

**SILVER BIRD GROUP BERHAD**  
 (Company No. 277977-X)  
 (Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIOD ENDED 31 JANUARY 2012

	Note	3 months ended		3 months ended	
		1/31/2012	1/31/2011	1/31/2012	1/31/2011
		RM'000	RM'000	RM'000	RM'000
<b>Continuing Operations</b>					
Revenue	4	140,966	154,617	140,966	154,617
Cost of Sales		<u>(135,177)</u>	<u>(135,258)</u>	<u>(135,177)</u>	<u>(135,258)</u>
<b>Gross profit</b>		5,789	19,359	5,789	19,359
Other income		305	150	305	150
Administrative expenses		(5,299)	(5,098)	(5,299)	(5,098)
Selling and marketing expenses		(10,423)	(9,088)	(10,423)	(9,088)
Other expenses		(1,656)	(2,561)	(1,656)	(2,561)
Finance expenses		<u>(2,112)</u>	<u>(1,835)</u>	<u>(2,112)</u>	<u>(1,835)</u>
<b>(Loss)/Profit before tax</b>		(13,396)	927	(13,396)	927
Income tax expense	20	<u>(160)</u>	-	<u>(160)</u>	-
<b>(Loss)/Profit for the period from continuing operations</b>		(13,556)	927	(13,556)	927
<b>Discontinued Operations</b>					
Loss for the period from discontinued operations	12	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
<b>(Loss)/Profit for the period</b>		<u>(13,558)</u>	<u>925</u>	<u>(13,558)</u>	<u>925</u>
Attributable to :					
Equity holders of the parent		(13,557)	926	(13,557)	926
Minority interest		<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>
		<u>(13,558)</u>	<u>925</u>	<u>(13,558)</u>	<u>925</u>
<b>Earnings per share attributable to equity holders of the parent :</b>					
Basic, for (loss)/profit from continuing operations (sen)	26	(3.33)	0.24	(3.33)	0.24

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 October 2011 and the accompanying explanatory notes attached to the interim financial statements.

# SILVER BIRD

**SILVER BIRD GROUP BERHAD**  
**(Company No. 277977-X)**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JANUARY 2012**

	Note	As at 1/31/2012 Unaudited RM'000	As at 10/31/2011 Audited RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	191,140	195,395
Other receivable		7,546	7,546
Intangible assets		36,730	36,730
Other Investment		1,950	300
		<u>237,366</u>	<u>239,971</u>
<b>Current Assets</b>			
Inventories		15,809	15,016
Trade receivables		117,667	128,174
Other receivables		3,783	2,398
Tax refundable		1	247
Fixed deposits with licensed banks		2,667	3,705
Cash and bank balances		94,279	7,578
		<u>234,206</u>	<u>157,118</u>
<b>TOTAL ASSETS</b>		<u>471,572</u>	<u>397,089</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holder of the parent</b>			
Share capital	10	203,341	203,341
Share premium		53,622	53,622
Merger deficit		(5,326)	(5,326)
Capital reserves		277	277
Warrants reserve		6,059	6,059
Accumulated loss		(57,695)	(44,138)
Exchange Translation Reserve		(600)	(670)
<b>SHAREHOLDERS' EQUITY</b>		<u>199,678</u>	<u>213,165</u>
<b>Minority Interest</b>		<u>257</u>	<u>258</u>
		<u>199,935</u>	<u>213,423</u>
<b>Non-current liabilities</b>			
Borrowings	22	23,851	21,738
Deferred tax liabilities		764	764
		<u>24,615</u>	<u>22,502</u>
<b>Current liabilities</b>			
Borrowings	22	163,080	126,232
Trade payables		68,066	25,919
Other payables		15,703	8,840
Current tax payable		173	173
		<u>247,022</u>	<u>161,164</u>
<b>Total liabilities</b>		<u>271,637</u>	<u>183,666</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>471,572</u>	<u>397,089</u>
<b>Net assets per share attributable to equity holders of the Company (RM)</b>		<u>0.49</u>	<u>0.52</u>

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 October 2011 and the accompanying explanatory notes attached to the interim financial statements.

# SILVER BIRD

**SILVER BIRD GROUP BERHAD**

(Company No. 277977-X)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE-MONTH PERIOD ENDED 31 JANUARY 2012

	Share Capital RM'000	Share Premium Reserve RM'000	Merger Deficit RM'000	Capital Reserves RM'000	Accumulated Losses RM'000	Warrant Reserves RM'000	Foreign Exchange Reserve RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
<b>Balance at 31.10.2011/ 1.11.2011</b>	203,341	53,622	(5,326)	277	(44,138)	6,059	(670)	213,165	258	213,423
Exchange difference on retranslation of net assets of an oversea subsidiary	-	-	-	-	-	-	70	70	(1)	69
Net profit for the period	-	-	-	-	(13,557)	-	-	(13,557)	-	(13,557)
<b>Balance at 31.01.2012</b>	203,341	53,622	(5,326)	277	(57,695)	6,059	(600)	199,678	257	199,935
<b>Balance at 31.10.2010/1.11.2010</b>	193,341	52,453	(5,326)	277	(49,070)	6,059	(360)	197,374	265	197,639
Exchange difference on retranslation of net assets of an oversea subsidiary	-	-	-	-	-	-	21	21	(1)	20
Net Profit for the period	-	-	-	-	926	-	-	926	-	926
<b>Balance at 31.01.2011</b>	193,341	52,453	(5,326)	277	(48,144)	6,059	(339)	198,321	264	198,585

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 October 2011 and the accompanying explanatory notes attached to the interim financial statements.

# SILVER BIRD

SILVER BIRD GROUP BERHAD

(Company No. 277977-X)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE-MONTH ENDED 31 JANUARY 2012

	3 months ended	
	1/31/2012	1/31/2011
	RM'000	RM'000
	Unaudited	Unaudited
<b>Cash flow from operating activities</b>		
Cash collected from customers	151,473	154,821
Payment to suppliers	(93,030)	(141,335)
Others	(10,161)	(13,389)
	<u>48,282</u>	<u>97</u>
<b>Cash flow from investing activities</b>		
Investment in associate	(1,650)	-
Purchase of property, plant and equipment	-	(2,601)
	<u>(1,650)</u>	<u>(2,601)</u>
<b>Cash flows from financing activities</b>		
Net drawdown of borrowings	12,151	-
Net repayment of borrowings	-	(18,054)
	<u>12,151</u>	<u>(18,054)</u>
Net decrease in cash and cash equivalents	58,783	(20,558)
Effects of exchange rate changes	70	21
Cash and cash equivalents at start of financial period	3,558	49,357
Cash and cash equivalents at end of financial period	<u>62,411</u>	<u>28,820</u>

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

	As at	As at
	1/31/2012	1/31/2011
	RM'000	RM'000
	Unaudited	Unaudited
Cash and bank balances	94,279	29,109
Fixed deposits with licensed banks	2,667	2,639
Fixed deposits pledged to licensed bank	(2,560)	(2,489)
Bank overdraft	(31,975)	(439)
	<u>62,411</u>	<u>28,820</u>

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 October 2011 and the accompanying explanatory notes attached to the interim financial statements.

# **SILVER BIRD**

## **SILVER BIRD GROUP BERHAD**

**(Company No. 277977-X)  
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### **PART A – EXPLANATORY NOTES PURSUANT TO FRS 134**

#### **1. BASIS OF PREPARATION**

With reference to the disclosure of financial irregularities pertaining to the affairs of Silver Bird Group Berhad for the financial year ended 31 October 2011, and in light of the continuation of such financial irregularities affecting the financial results of the Group for the three months ended 31 January 2012, the interim financial statements of the Group have been prepared subject to such financial irregularities. These financial irregularities continue into the month of February 2012, and will be regularised after the completion of the on-going forensic investigation into the financial affairs of the Group.

Accordingly, the financial report for the quarter ended 31 January 2012 must be read in the above light.

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

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 31 October 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 financial year ended 31 October 2011.

The Company is classified as an Affected Listed Issuer pursuant to Practice Note 17 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad as has been announced on 29 February 2012.

#### **2. CHANGES IN ACCOUNTING POLICIES**

The financial statements of the Company have been prepared in accordance with Financial Reporting Standards (FRSs), accounting principles generally accepted in Malaysia and the provisions of the Companies Act, 1965.

The significant accounting policies adopted by the Group and the Company are consistent with those adopted in the previous year except as follows:

## 2. CHANGES IN ACCOUNTING POLICIES (CONT'D.)

On 1 November 2011, the Group and the Company adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 November 2011.

- FRS 127, Consolidated and separate Financial Statements
- FRS 3, Business Combinations
- Amendment to FRS 3, Business Combinations
- Amendment to FRS 7, Improving Disclosures about Financial Instruments
- Amendment to FRS 7, Financial Instruments: Disclosures.
- Amendment to FRS 101, Presentation of Financial Statements
- Amendment to FRS 121, The effects of changes in Foreign Exchange Rates
- Amendment to FRS 128, Investments in Associates
- Amendment to FRS 131, Interest in Joint Venture
- Amendment to FRS 132, Financial Instrument: presentation.
- Amendment to FRS 134, Interim Financial Reporting
- Amendment to FRS 139 Financial Instruments: Recognition and Measurement
- Amendment to FRS 7, Financial Instruments: Disclosure –Improving Disclosures about Financial Instruments

Except for the new disclosure required arising from the adoption of the amendment to FRS 7, the adoption of the other standards and interpretations did not have any effect on the financial performance or position of the Group and of the Company.

### Amendment to FRS 7, Financial Instruments: Disclosures

Amendments to the FRS 7, introduces additional disclosures to improve the information about the fair value measurements and liquidity risk.

#### (a) Fair value hierarchy

The Group and the Company shall disclose for each class of financial instruments the methods and, when a valuation technique is used, the assumptions applied in determining fair values of each class of financial assets or financial liabilities. If there has been a change in valuation technique, the Group and the Company shall disclose that change and the reason for making it.

In addition, the Group and the Company shall classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (ie as prices) or indirectly (ie derived from prices)(Level 2); and
- (iii) Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)(level3).

## 2. CHANGES IN ACCOUNTING POLICIES (CONT'D.)

### (b) Liquidity risk

The Group and the Company shall disclose:

- (i) A maturity analysis for non-derivative financial liabilities (including issued financial guarantee contracts) that shows the remaining contractual maturities;
- (ii) A maturity analysis for the derivative financial liabilities. The maturity analysis shall include the remaining contractual maturities for those derivative financial liabilities for which contractual maturities are essential for an understanding of the timing of the cash flows; and
- (iii) A description of how it manages the liquidity risk inherent in (i) and (ii) above.

The Group and the Company has not adopted the following standards and interpretations that have been issued but not yet effective:

<b>FRS/Interpretations</b>	<b>Effective for the financial periods beginning on or after</b>
FRS which are relevant to its operations:	
FRS 9, Financial Instruments	1 January 2013
FRS 10, Consolidated Financial Statements	1 January 2013
FRS 12, Disclosure of Interest in Other Entities	1 January 2013
FRS 13, Fair Value Measurement	1 January 2013
FRS 119, Employee Benefits	1 January 2013
FRS 124, Related Party Disclosures	1 January 2012
FRS 127, Separate Financial Statements	1 January 2013
FRS 128, Investment in Associated and Joint Ventures	1 January 2013
Amendment to FRSs:	
FRS 7, Financial Instruments: Disclosure-transfer of financial assets	1 January 2012
FRS101, Presentation of Financial Statements – Presentation of items of other Comprehensive Income	1 July 2012
FRS 112, Income Taxes-Deferred Tax: Recovery of Underlying Assets	1 January 2012

Except for the new disclosures required under the Amendments to FRS 7, and subject to the findings of the forensic investigation into the financial irregularities, the Directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application.

Following the issuance of Malaysian Financial Reporting Standards (“MFRS”) and IC Interpretation by the Malaysian Accounting Standard Board on 19 November 2011, the Group’s and the Company’s next set of financial statements will be prepared in accordance with the International Financial Reporting Standards Framework. The change of the financial framework is not expected to have any significant impact on the financial position and performance of the Group and the Company.

### 3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report on the audited financial statements for the financial year ended 31 October 2011 contained a disclaimer of opinion on the financial statements due to certain Exceptional Items.

### 4. SEGMENTAL INFORMATION

Subject to the findings of the forensic investigation into the financial irregularities, the segmental information of the Group is as follows:

	3 months ended	
	31.01.2012	31.01.2011
	RM'000	RM'000
<b>Segment Revenue</b>		
Revenue from continuing operations:		
Consumer food	43,992	46,688
Telecommunication products	96,974	107,929
Total revenue from continuing operations	140,966	154,617
Revenue from discontinued operation	-	-
Total	140,966	154,617
<b>Segment Results</b>		
Results from continuing operations:		
Consumer food	(13,513)	614
Telecommunication products	117	313
Total results from continuing operations	(13,396)	927
Results from discontinued operation	(2)	(2)
Total	(13,398)	925

### 5. 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 January 2012, other than the financial irregularities, that has been brought to the attention of the Board.

### 6. CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the current quarter results that has been brought to the attention of the Board.

### 7. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The demand for certain bakery products are seasonal in nature. On the other hand, the sales of telecommunication products are not significantly affected by seasonal and cyclical factors.



**8. DIVIDENDS PAID**

There was no dividend paid for the current quarter.

**9. CARRYING AMOUNT OF REVALUED ASSETS**

There was no revaluation of property, plant and equipment during the current quarter that has been brought to the attention of the Board.

**10. DEBT AND EQUITY SECURITIES**

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the current quarter that has been brought to the attention of the Board.

**11. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the quarter under review that has been brought to the attention of the Board.

**12. DISCONTINUED OPERATIONS**

The Group's investment in its seven subsidiaries (i.e. Madeleine Café Sdn Bhd, Madeleine Foods Sdn Bhd, Madeleine Bakery Sdn Bhd, Madeleine Property Sdn Bhd, Standard Food R&D Lab Sdn Bhd, Stanson Distribution Sdn Bhd and Inforaire Sdn Bhd), are dormant and have been classified as discontinued operations. Subject to the findings of the forensic investigation into the financial irregularities, the revenue, results and cash flows of these subsidiaries were as follows:

	<b>3 months ended</b>	
	<b>31.01.2012</b>	<b>31.01.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	-	-
Loss before tax	(2)	(2)
Income tax expense	-	-
Loss for the period from discontinued operations	(2)	(2)
Cash flows used in operating activities	-	-
Cash flows used in investing activities	-	-
Cash flows used in financing activities	-	-
Total cash flows	-	-

## 12. DISCONTINUED OPERATIONS (CONT'D.)

Subject to the findings of the forensic investigation into the financial irregularities, the major classes of assets and liabilities of the seven subsidiaries classified as discontinued operations as at 31 January 2012 are as follows:

	<b>RM'000</b>
Assets:	
Investment	4,800
Fixed assets	3
Cash and bank balances	44
Assets of dormant group	<u>4,847</u>
Liabilities:	
Amount owing to Holding/Related companies	4,486
Other payables and accruals	25
Tax payable	168
Liabilities directly associated with the assets classified as dormant	<u>4,679</u>
Net assets attributable to discontinued operations	<u>168</u>

## 13. CAPITAL COMMITMENTS

Subject to the findings of the forensic investigation into the financial irregularities, there was no commitment for the purchase of property, plant and equipment as at 31 January 2012 that has been brought to the attention of the Board.

## 14. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Subject to the findings of the forensic investigation into the financial irregularities, during the financial period ended 31 January 2012, the Company had given corporate guarantees amounting to approximately RM187 million to secure banking facilities granted to certain subsidiaries.

## 15. SUBSEQUENT EVENTS

- (a) The Group Managing Director, the Executive Director and the General Manager – Accounts and Finance, have been suspended from work on full pay and benefits with effect from 24 February 2012. The Senior Manager, Finance was suspended from work on 5 March 2012, upon her return to work from medical leave. Their suspension is to facilitate the conduct of an internal inquiry into allegations of, amongst others, irregularities in the Company's accounts which were recently brought to the attention of the Board of Directors when the auditors expressed concerns over the validity and recording of certain transactions for which the auditors were not able to obtain the relevant supporting evidence and satisfactory explanations from the management of the Company.

**15. SUBSEQUENT EVENTS (CONT'D.)**

- (b) On 29 February 2012, Silver Bird Group Berhad was considered a PN17 company. The PN17 criteria was triggered as a result of the Company's latest audited accounts for the financial year ended 31 October 2011 that was announced on 29 February 2012 whereby the auditor had expressed a disclaimer of opinion on the financial statements; and a default in repayments to the financial institutions by the wholly-owned subsidiaries (Standard Confectionery Sdn Bhd, Stanson Marketing Sdn Bhd and Stanson Bakeries Sdn Bhd) of the Company pursuant to PN1 of the Main Market Listing Requirements and the Company was not able to provide a solvency declaration to Bursa Malaysia Securities Berhad.
- (c) On 15 March 2012, the Company's subsidiary, Stanson Marketing Sdn Bhd ("SMSB"), had received a termination notice in relation to the Distribution Agreement between Maxis Mobile Services Sdn Bhd and SMSB.

Other than the above, subject to the findings of the forensic investigation into the financial irregularities, there was no other material event subsequent to the quarter under review that has been brought to the attention of the Board.

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**16. PERFORMANCE REVIEW**

Subject to the findings of the forensic investigation into the financial irregularities, the Group registered total revenue of RM141 million in the quarter ended January 2012 (1Q 12) compared with RM155 million in the corresponding period of the previous year, a decline of 9%, whilst the current quarter recorded a loss before tax of RM13.558 million, a turnabout from the profit of RM0.9 million from the corresponding period of the previous year.

(a) Consumer Food

Subject to the findings of the forensic investigation into the financial irregularities, the Consumer Food Division recorded revenues of RM44 million for the current quarter, a decline of 6% compared with RM47 million in the corresponding period of the previous year.

(b) MultiCom Division

Subject to the findings of the forensic investigation into the financial irregularities, the telecommunication business recorded a 10% decline in revenue to RM97 million in the current quarter from RM108 million in the corresponding period of the previous year.

**17. COMMENT ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION**

Subject to the findings of the forensic investigation into the financial irregularities, the Group recorded a loss before taxation of RM13.558 million for the current quarter, mainly derived from the consumer food division as mentioned in Note 4.

**18. COMMENTARY ON PROSPECTS**

The Board is in the process of evaluating the prospects of the Group in light of the financial irregularities, suspension of the Managing Director, Executive Director, the General Manager – Accounts and Finance and Senior Manager, Finance, the PN17 status of the Group as well as the termination of the Distribution Agreement between Maxis Mobile Services Sdn Bhd and Stanson Marketing Sdn Bhd.

Due to the matters mentioned above, the Board is not able to comment on the prospects of the Group at this point in time, save for the continuance of the consumer food division, which the Board believes can be profitable.

## 19. PROFIT FORECAST OR PROFIT GUARANTEE

Subject to the findings of the forensic investigation into the financial irregularities, there was no profit forecast or profit guarantee issued by the Group for the year that has been brought to the attention of the Board.

## 20. INCOME TAX EXPENSE

Subject to the findings of the forensic investigation into the financial irregularities, the details of the income tax expense of the Group are as follows:

	3 months ended	
	31.01.2012	31.01.2011
	RM'000	RM'000
Current tax:		
Malaysian income tax	160	-
Total income tax expense	<u>160</u>	<u>-</u>

The income tax expense relates to the tax instalments of Stanson Marketing Sdn Bhd.

## 21. CORPORATE PROPOSALS

Save as disclosed, there was no corporate proposal announced but not completed as at the date of this report that has been brought to the attention of the Board.

(a) Private Placement of up to 10% of the Issued and Paid-up Share Capital of Silver Bird (“Private Placement”)

The total proceeds raised by the Company from the previous Private Placement exercises amounted to RM19,700,000. Subject to the findings of the forensic investigation into the financial irregularities, the status of the utilisation of proceeds as at 23 March 2012 was as follows:-

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended timeframe for utilisation	Deviation RM'000
Repayment of borrowings	4,000	4,000	Within 12 months	-
Advertising and promotions	2,000	2,000	Within 12 months	-
Research and development	1,000	300	Within 12 months	700
Other general working capital	12,100	12,100	Within 12 months	-
Estimated expenses	600	600	Within 12 months	-
<b>Total</b>	<b>19,700</b>	<b>19,000</b>		<b>700</b>

## 22. BORROWINGS

Subject to the findings of the forensic investigation into the financial irregularities, the details of the borrowings of the Group are as follows:

	As at 31.01.2012 RM'000	As at 31.10.2011 RM'000
<b>Short term borrowings</b>		
Secured	21,434	24,335
Unsecured	141,646	101,897
	<u>163,080</u>	<u>126,232</u>
<b>Long term borrowings</b>		
Secured	23,851	21,738
Unsecured	-	-
	<u>23,851</u>	<u>21,738</u>
	<u>186,931</u>	<u>147,970</u>

## 23. CHANGES IN MATERIAL LITIGATION

There was no material litigation since the last annual balance sheet date up to the date of this report that has been brought to the attention of the Board.

## 24. DIVIDEND PAYABLE

No interim ordinary dividend has been declared for the financial period ended 31 January 2012 (31 October 2011: Nil).

## 25. REALISED AND UNREALISED PROFITS/(LOSSES)

Subject to the findings of the forensic investigation into the financial irregularities, the details of the realised and unrealised profits or losses of the Group were as follows:

	As at 31.01.2012 RM'000	As at 31.10.2011 RM'000
Total accumulated losses:		
- Realised	(56,931)	(43,374)
- Unrealised	(764)	(764)
	<u>(57,695)</u>	<u>(44,138)</u>

## 26. EARNINGS PER SHARE

### (a) Basic

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares of RM0.50 each in issue during the period.

Subject to the findings of the forensic investigation into the financial irregularities, the calculation of the basic earnings per share is as follows:

	<b>3 months ended</b>	
	<b>31.01.2012</b>	<b>31.01.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit from continuing operations attributable to ordinary equity holders of the parent	(13,556)	927
Loss from discontinued operation attributable to ordinary equity holders of the parent	<u>(2)</u>	<u>(2)</u>
Profit attributable to ordinary equity holders of the parent	<u>(13,558)</u>	<u>925</u>
	<b>3 months ended</b>	
	<b>31.01.2012</b>	<b>31.01.2011</b>
	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares in issue	<u>406,682</u>	<u>386,682</u>
	<b>3 months ended</b>	
	<b>31.01.2012</b>	<b>31.01.2011</b>
	<b>Sen</b>	<b>Sen</b>
Basic earnings per share for:		
Profit from continuing operations	(3.33)	0.24
Loss from discontinued operation	<u>(0.00)</u>	<u>(0.00)</u>
Profit for the period	<u>(3.33)</u>	<u>0.24</u>

### (b) Diluted

Diluted earnings per share was not presented as there were no potential dilutive ordinary shares.

**27. AUTHORISATION FOR ISSUE**

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

By order of the Board  
**Lee Suet Yin**  
Company Secretary  
Shah Alam