

KBB RESOURCES BERHAD (Company No.583565-U)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AND QUARTERLY REPORT FOR THE PERIOD ENDED
31 MARCH 2012

	Current Year As at 31.03.12 (Unaudited) RM'000	Preceding Year As at 31.12.10 (Audited) RM'000	Preceding Year As at 1.01.10 (Audited) RM'000
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	81,869	103,107	117,948
Intangible Assets	202	250	374
Other Investments	2,000	2,000	2,000
	84,071	105,357	120,322
Current Assets			
Inventories	42,054	31,243	56,553
Trade Receivables	46,653	46,275	51,389
Other Receivables, Deposits and Prepayments	1,190	883	1,025
Tax Recoverable	1,138	1,078	-
Fixed Deposit with Licensed Banks	-	25	25
Cash and Bank Balances	1,765	690	896
	92,800	80,194	109,888
TOTAL ASSETS	176,871	185,551	230,210
EQUITY AND LIABILITIES			
Share Capital	60,000	60,000	60,000
Exchange Translation Reserve	(7,561)	(4,509)	(3,412)
Accumulated Losses	(20,631)	(10,750)	34,504
Total Equity	31,808	44,741	91,092
Non-Current Liabilities			
Borrowings	22,419	22,521	22,926
Deferred Tax Liabilities	1,441	1,441	2,960
	23,860	23,962	25,886
Current Liabilities			
Trade Payables	14,463	9,845	5,691
Other Payables and Accruals	4,044	5,072	4,917
Borrowings	102,491	101,698	102,012
Provision for Taxation	205	233	612
	121,203	116,848	113,232
Total Liabilities	145,063	140,810	139,118
TOTAL EQUITY AND LIABILITIES	176,871	185,551	230,210
Net Assets Per Ordinary Share Attributable to Ordinary Shareholders (RM)	0.27	0.37	0.76

Notes:-

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

KBB RESOURCES BERHAD (Company No.583565-U)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
AND QUARTERLY REPORT ON CONSOLIDATED PERIOD ENDED
31 MARCH 2012

	Current Year Quarter	Individual Quarter Preceding Year Corresponding Quarter⁽¹⁾	Current Year To Date	Cumulative Quarter Preceding Year Corresponding Period⁽¹⁾
	(3 months) 31.03.12 (Unaudited) RM'000	RM'000	(15 months) 31.03.12 (Unaudited) RM'000	(12months) 31.12.2010 (Audited) RM'000
Revenue	21,602	-	107,460	159,256
Cost of Sales	(16,768)	-	(92,389)	(171,512)
Gross Profit/(Loss)	4,834	-	15,071	(12,256)
Other Income	841	-	1,525	519
Administrative Expenses	(1,599)	-	(14,937)	(19,356)
Selling and Distribution Expenses	(1,741)	-	(10,545)	(9,522)
Operating Profit/(Loss)	2,335	-	(8,886)	(40,615)
Finance Costs	(151)	-	(787)	(6,304)
Profit/(Loss) Before Taxation	2,184	-	(9,673)	(46,919)
Taxation	-	-	(208)	1,665
Profit / (Loss) for the Period	2,184	-	(9,881)	(45,254)
Earnings Per Share				
- Basic (sen)	1.82	-	(8.23)	(37.71)
- Diluted (sen)	-	-	-	-

Notes:-

1. There are no comparative figures for the preceding year individual and cumulative quarters as the Company has changed its year end from 31 December to 30 April. The first set of financial statements with the new year end will be for the 16 months period ending 30 April 2012.
2. The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

KBB RESOURCES BERHAD (Company No.583565-U)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AND
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD
ENDED 31 MARCH 2012

	Share Capital	Non- Distributable Exchange Translation Reserve	Distributable Accumulated Losses	Total Equity
	(Unaudited) RM'000	(Unaudited) RM'000	(Unaudited) RM'000	(Unaudited) RM'000
Balance as at 1 January 2011	60,000	(4,509)	(10,750)	44,741
Foreign Currency Translation	-	(3,052)	-	(3,052)
Loss for the Period (15 months period)	-	-	(9,881)	(9,881)
Balance as at 31 March 2012	<u>60,000</u>	<u>(7,561)</u>	<u>(20,631)</u>	<u>31,808</u>

	Share Capital	Non- Distributable Exchange Translation Reserve	Distributable Retained Profits / (Loss)	Total Equity
	(Audited) RM'000	(Audited) RM'000	(Audited) RM'000	(Audited) RM'000
Balance as at 1 January 2010	60,000	(3,412)	34,504	91,092
Foreign Currency Translation	-	(1,097)	-	(1,097)
Loss for the Period (12 months period)	-	-	(45,254)	(45,254)
Balance as at 31 December 2010	<u>60,000</u>	<u>(4,509)</u>	<u>(10,750)</u>	<u>44,741</u>

Note:-

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

KBB RESOURCES BERHAD (Company No.583565-U)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS AND
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD
ENDED 31 MARCH 2012

	Current Year to Date	Preceding Year Corresponding Period⁽¹⁾
	(15 months)	(12 months)
	31.03.12	31.12.2010
	(Unaudited)	(Audited)
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Operations	104,660	160,581
Payment to Suppliers and Employees	(107,655)	(147,105)
Income Tax Paid	(228)	(896)
Interest Paid	(589)	(4,273)
Net Cash (used in) Operating Activities	(3,812)	8,307
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Disposal of Property, Plant and Equipment	4,801	350
Purchase of Property, Plant and Equipment	(260)	(7,414)
Net Cash from Investing Activities	4,541	(7,064)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bankers Acceptance	-	(5,079)
Islamic Acceptance Bills	-	8
Proceeds from Hire Purchase Payables	387	287
Repayment of Hire Purchase Payables	(850)	(342)
Repayment of Term Loan	-	(181)
Net Cash used in Financing Activities	(463)	(5,307)
Net Decrease in Cash and Cash Equivalents	266	(4,064)
Effects of Foreign Exchange Rates Changes	149	1,283
Cash and Cash Equivalents at Beginning	(5,153)	(2,372)
Cash and Cash Equivalents at End	(4,738)	(5,153)
Represented by:-		
Fixed Deposits with Licensed Banks	-	25
Cash and Bank Balances	1,765	690
Bank Overdrafts	(6,503)	(5,868)
	(4,738)	(5,153)

Notes:-

- There are no comparative figures for the preceding year corresponding period as the Company has changed its year end from 31 December to 30 April. The first set of financial statements with the new year will be for 16 months period ending 30 April 2012.
- The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORTS FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012

PART A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING

A1) Basis of Preparation

The interim financial statements for the current quarter are unaudited and have been prepared in accordance with the requirements outlined in the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements are the Group’s first MFRS compliant interim financial statements and hence MFRS 1: First-Time Adoption of Malaysian Financial Reporting Standards (MFRS 1) has been applied. The date of transition to the MFRS framework is 1 January 2012. At that transition date, the Group reviewed its accounting policies and considered the transitional opportunities under MFRS 1. As the requirements under FRS and MFRS are similar, the significant accounting policies adopted in preparing this interim financial statements, are consistent with those of the audited financial statements for the financial year ended (“FRS”) 31 December 2010.

The transition to MFRS framework does not have any financial impact to the financial statements of the Group.

The Group has changed its accounting year end from 31 December to 30 April. Current financial year will end on 30 April 2012. As such, current quarter report is made up for a period of 3 months covering 1 January 2012 to 31 March 2012.

A2) Changes in Accounting Policies

The accounting policies adopted by the Group in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2010 except for the adoption of newly-issued accounting framework – MFRS IC Interpretations to be applied by all Entities other than Private Entities for the financial period beginning on 1 January 2012 :-

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 2	Share-based Payment
MFRS 3	Business Combination
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations
MFRS 7	Financial Instruments: Disclosures
MFRS 8	Operating Segments
MFRS 9	Financial Instruments
MFRS 10	Consolidated Financial Statements
MFRS 12	Disclosure of Interest in Other Entities
MFRS 101	Presentation of Financial Statements
MFRS 102	Inventories
MFRS 107	Statement of Cash Flows
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 110	Events After the Reporting Period
MFRS 112	Income Taxes

KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORTS FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012

PART A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING

A2) Changes in Accounting Policies (continued)

MFRS 116	Property, Plant and Equipment
MFRS 118	Revenue
MFRS 119	Employee Benefits
MFRS 121	The Effects of Changes in Foreign Exchange Rates
MFRS 124	Related Party Disclosures
MFRS 127	Consolidated and Separate Financial Statements
MFRS 132	Financial Instruments: Presentation
MFRS 133	Earnings Per Share
MFRS 134	Interim Financial Reporting
MFRS 136	Impairment of Assets
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
MFRS 138	Intangible Assets
MFRS 139	Financial Instruments: Recognition and Measurement

The adoption of the above new MFRSs does not have significant financial impact on the interim financial statements of the Group.

A3) Seasonal or Cyclical Factors

The Group’s performance is not significantly affected by any seasonal or cyclical factors.

A4) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year-to-date.

A5) Material Changes in Estimates

There was no material changes in estimates of amount reported in prior interim period or financial period that have a material effect in the current quarter and financial year-to-date.

A6) Debt and Equity Securities

There were no issuances, repurchases, and repayments of long term debt and equity issued during the current quarter and financial year-to-date.

KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORTS FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012

PART A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL
REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING

A7) Dividend Paid

There was no dividend paid in the current quarter and financial year-to-date.

A8) Segmental Information

The Group is principally engaged in the manufacturing and marketing of all types of rice, sago sticks (vermicelli) and other related products. Business segmental information has therefore not been prepared as the Group’s revenue, operating profit, assets employed, liabilities, capital expenditure, depreciation and non-cash expenses are mainly confined to one business segment.

The segmental information is therefore presented in respect of the Group’s geographical segments. The Group operates in two principal geographical areas namely Malaysia and Indonesia. The segmental information for the past three months ended 31 March 2012 were as follows:

	Revenue RM’000	Total Assets RM’000	Capital Expenditures RM’000
Malaysia	21,602	165,273	260
Indonesia	-	11,598	-
	21,602	176,871	260

A9) Valuation of Property, Plant and Equipment

The Group did not carry out any valuation on its property, plant and equipment. The property, plant and equipment of the Group are stated at cost less accumulated depreciation and any accumulated impairment losses.

A10) Events Subsequent to the Balance Sheet Date

Except for the One- Off Settlement Agreement disclosed in section B8, there were no other material events subsequent to the reporting period that have not been reflected in the interim financial statements as at the date of this report.

KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORTS FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012

PART A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING

A11) Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial year-to-date.

A12) Changes in Contingent Liabilities or Contingent Assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of the interim financial statements.

A13) Capital Commitments

There was no capital commitment in the current quarter under review.

KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012

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

B1) Review of Group Performance

The Group recorded revenue of approximately RM21.60 million and RM107.46 million in the current 3 months and 15 months period ended 31 March 2012 respectively as compared with the revenue of approximately RM159.26 million in the preceding 12 months year ended 31 December 2010. The decreased in revenue of approximately 32.5% is mainly due to the limited working capital being available in FYE 2011 as the Company is undergoing a Debt Restructuring exercise with its financial lenders.

The Group recorded profit before tax of approximately RM2.18 million and loss before tax of RM 9.67 in the current 3 months and 15 months period ended 31 March 2012 respectively as compared with the loss before tax of approximately RM46.92 million in the preceding 12 months year ended 31 December 2010. Despite the impairment on property, plant and equipment, provision for doubtful debts and stock write-off being provided in FYE2010, the improvement in the Group's profit before tax is mainly due to higher sales record of products such as bihun, instant bihun, noodles and laksa as a result of continues effort and promotion carry out by Marketing Department as well as the Group's effort on improving operational efficiency while implementing various cost cutting measures such as outsourcing the both sago factories to mitigate high operating cost.

B2) Material Change in the Profit before Taxation of Current Quarter Compared with the Immediate Preceding Quarter

	Current Year Quarter	Immediate Preceding Quarter	%
	31.03.12	31.12.11	+ / -
	RM'000	RM'000	
Revenue	21,602	20,786	3.93
Profit/(Loss) Before Taxation	2,184	(1,802)	221.20

The Group recorded revenue of approximately RM21.60 million or 3.93% higher in the current quarter compared with the revenue of approximately RM20.79 million in the preceding quarter. The increase in revenue for the current quarter was mainly due to higher sales record of products such as bihun, instant bihun, noodles and laksa as a result of continues effort and promotion carry out by Marketing Department.

The Group recorded profit before tax of approximately RM2.18 million in the current quarter compared with loss before tax of approximately RM1.80 million in the immediate preceding quarter. The reasons for the loss were mainly due to due to professional fee incurred for year 2011. Nevertheless, the subsequent improvement in profit/(loss) before tax is resulted from the Group's effort on improving operational efficiency while implementing various cost cutting measures such as outsourcing the both sago factories to mitigate high operating cost, increasing the selling price of the product such as bihun, instant bihun, noodles and laksa.

KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012

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

B3) Current Year Prospects

The Group will continue to rationalize and consolidate its business operation, moving forward, the Group will continue its effort at cost cutting measures, improving in operation efficiency and productivity, improving in inventory control and credit control as well as focus on product development and quality improvement in the rice and sago sticks (vermicelli) operation in order to remain competitive in the market.

With the approval of the one-off settlement agreement with the Group's financial lenders, the financial position of the Group would be significantly improved and the management will be able to fully concentrate on strengthening and growing the business by focusing on its core business, integrated vermicelli manufacturing within the domestic market as well as to look for a suitable strategic partner to expand KBB's product to a foreign market without any investment cost. With the large customer base and a team of dedicated employees, the Group anticipates a sustaining an improved performance in the next quarter of the financial year.

B4) Variance between Actual Profit and Forecast Profit

The Group did not issue any profit forecast or profit guarantee during the current quarter under review.

B5) Taxation

	Current Year Quarter 31.03.12 RM'000	Current Year-to- Date 31.03.12 RM'000
Income Tax	-	(208)
Deferred Tax	-	-
	<hr/>	<hr/>
	-	(208)

KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012

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

B6) Unquoted Investments and Properties

There were no sales and purchases of unquoted investments and properties for the current quarter.

B7) Quoted Securities

There were no purchases or disposals of quoted securities for the current quarter.

B8) Corporate Proposals

i) One-off settlement agreement

The Group had on 16 April 2012 entered into a Settlement Agreement (“Settlement Agreement”) with Malaysian Trustees Berhad and the respective financiers to settle the indebtedness owed to the respective financiers of the Group.

The Settlement Agreement in form and in substance is acceptable to the Financiers whereby the Company will pay an aggregate settlement sum of RM60,000,000.00 to the respective Financiers in the proportion set out in the settlement agreement as the full and final settlement of the outstanding sums owing to the Financiers under KBB’s Existing Facilities as at 30 September 2010 (“Cut-Off Date”).

The Settlement Agreement is subjected to the compliance, performance and observation by the Company and the Subsidiaries of all the terms and conditions in the Settlement Agreement. The terms and conditions in relation to the settlement sum are as follows:-

- i. On or before 31 May 2012 (the “Payment Due Date”), the Company shall:-
 - (a) pay to the respective Financiers a sum of RM60,000,000.00 in the proportion as set out in the table above; and
 - (b) pay the Pledged Sum to Alliance Bank.
- ii. At the request of the Company made in writing to the Financiers no later than seven (7) days prior to the Payment Due Date, the Majority Financiers may in their absolute discretion grant to the Company an extension of time of such period as the Majority Financiers may deem fit (the “Extended Period”) for the Company to pay the Settlement Sum and the Pledged Sum.

**KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012**

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

B8) Corporate Proposals (continued)

**ii) Memorandum of Understanding (“MOU”) with Hunan Province AFF Food
Science and Technology Co. Ltd (“AFF”)**

KBB had on 14 November 2011 entered into a MOU with AFF for the following objectives :-

- (a) AFF shall assist KBB to develop products catering to the market in the People’s Republic of China;
- (b) AFF shall be appointed the sole marketing representative of KBB’s products in the People’s Republic of China;
- (c) KBB shall be appointed the sole marketing representative of AFF’s products in Malaysia; and
- (d) KBB shall collaborate with AFF to develop a new range of AFF’s products which are halal compliant for the Middle East market and KBB shall undertake the production and manufacture of this new range of products by the setting up of a new manufacturing line.

The MOU is valid until finalisation and execution of the respective formal agreements within a period of nine (9) months from the date of signing of MOU or such other further period as AFF and KBB may mutually agree in writing or until earlier termination by mutual agreement between AFF and KBB in writing.

KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012

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

B9) Borrowings and Debts Securities

The Groups' borrowings as at 31st March 2012 are as follows:-

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short Term Borrowings:-			
Bank Overdrafts	1,090	5,413	6,503
Bankers Acceptance	7,937	60,141	68,078
Islamic Acceptance Bills	-	17,009	17,009
Hire Purchase Payables	-	164	164
Revolving Credit	-	2,400	2,400
Short Term Loan	-	6,259	6,259
Term Loans	214	1,864	2,078
	<u>9,241</u>	<u>93,250</u>	<u>102,491</u>
Long Term Borrowings:-			
Hire Purchase Payables	-	27	27
Term Loans	979	21,413	22,392
	<u>979</u>	<u>21,440</u>	<u>22,419</u>
Total	<u>10,220</u>	<u>114,690</u>	<u>124,911</u>

Included in the Group's borrowings is foreign currency borrowings denominated in Indonesian Rupiah amounting IDR18.108 billion, equivalent to approximately RM6.26 million. The above borrowings by the Company and Corporate Guarantee given by the Company, in respect of credit facilities will be addressed by the Company pursuant to the Corporate Debts Restructuring Proposal excluding for the foreign loan.

B10) Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at the date of the interim financial statements.

B11) Material Litigation

There were no material litigations against the Group or taken by the Group as at the date of the interim financial statements.

KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012

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

B12) Earnings per Share

The basic earnings per share of the Group are calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares in issue during the financial period calculated as follows:-

	Current 3 Months Period Ended (3 months)	Individual Quarter Preceding Year Corresponding Quarter⁽¹⁾	Current Year to Date⁽²⁾ (15 months)	Cumulative Period Preceding Year Corresponding Period⁽¹⁾ (12 months)
	31.03.12 RM'000	RM'000	31.03.12 RM'000	31.12.2010 RM'000
Profit/(Loss) for the Period (RM'000)	2,184	-	(9,881)	(45,254)
Weighted Average Number of Ordinary Shares of RM0.50 each ('000)	120,000	-	120,000	120,000
Earnings Per Share				
- Basic (sen)	1.82	-	(8.23)	(37.71)
- Diluted (sen)	-	-	-	-

Diluted earnings per share have not been computed as the effect of the share options under ESOS is anti-dilutive in nature.

Notes:-

1. There are no comparative figures for the preceding year individual and cumulative quarters as the Company has changed its year end from 31 December to 30 April. The first set of financial statements with the new year will be for 16 months period ending 30 April 2012.
2. The current year to date represents a fifteen (15) months period from 1 January 2011 - 31 March 2012 as the Company has recently change its financial year end from 31 December to 30 April.
3. The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012

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

B13) Realised and Unrealised Loss

	As at end of current period ended (15 months) 31.03.2012 RM'000	As at preceding financial year as at ⁽¹⁾ 31.12.2010 RM'000
Total retained earnings of the Company and its subsidiaries :-		
- Realised	(35,970)	-
- Unrealised	(1,441)	-
	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>
	(37,411)	-
Consolidation adjustments	16,780	-
Total accumulated losses of the Group as per consolidated accounts	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/> (20,631)	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/> -

Note :

1. Comparative figures are not required in the first financial year of complying with Realised and Unrealised Profits / Losses Disclosures.

KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012

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

B14) Profit / (Loss) for the period / year

	Current Year Quarter	Individual Quarter Preceding Year Corresponding Quarter⁽¹⁾	Current Year to Date ⁽²⁾	Cumulative Quarter Preceding Year Corresponding Period⁽¹⁾
	(3 months)		(15 months)	(12 months)
	31.03.2012 (Unaudited) RM'000	RM'000	31.03.2012 (Unaudited) RM'000	31.12.2010 (Audited) RM'000
Profit / (Loss) for the period / year is arrive at after charging				
Interest expense	151	-	787	6,304
Depreciation	2,362	-	12,056	10,808
Amortisation of lease land	12	-	59	47
Impairment loss on trade receivables	301	-	2,421	3,787
Impairment loss on disposal of Property, plant & equipment	20	-	4,040	9,882
Foreign exchange loss	-	-	18	840
and after crediting				
Rental Income	440	-	640	-
Gain/(Loss) on disposal of property, plant & equipment	-	-	(528)	229

Notes:-

1. There are no comparative figures for the preceding year individual and cumulative quarters as the Company has changed its year end from 31 December to 30 April. The first set of financial statements with the new year will be for 16 months period ending 30 April 2012.
2. The current year to date represents a fifteen (15) months period from 1 January 2011 - 31 March 2012 as the Company has recently change its financial year end from 31 December to 30 April.
3. The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**KBB RESOURCES BERHAD (Company No.583565-U)
NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2012**

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

B15) Audit Report Qualifications

The auditors' report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2010 did not contain any qualification except for opening balances of inventories accordance to ISA 510.

B16) Authorization for Issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board.