

**KBB RESOURCES BERHAD (Company No.583565-U)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AND QUARTERLY REPORT FOR THE PERIOD ENDED**  
**31 MARCH 2013**

	<b>Current Year As at 31.03.13 (Unaudited) RM'000</b>	<b>Preceding Year As at 30.06.12 (Audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	75,738	82,629
Intangible Assets	194	200
	<u>75,932</u>	<u>82,829</u>
<b>Current Assets</b>		
Inventories	10,972	4,372
Trade Receivables	18,696	15,604
Other Receivables, Deposits and Prepayments	1,090	3,258
Tax Recoverable	1,460	1,343
Fixed Deposit with Licensed Banks	5,000	5,100
Cash and Bank Balances	3,435	2,000
	<u>40,653</u>	<u>31,677</u>
<b>TOTAL ASSETS</b>	<b><u>116,585</u></b>	<b><u>114,506</u></b>
<b>EQUITY AND LIABILITIES</b>		
Share Capital	60,000	60,000
Exchange Translation Reserve	(4,906)	(4,655)
Revaluation Reserve	4,393	4,393
Accumulated Losses	(37,017)	(37,458)
<b>Total Equity</b>	<b><u>22,470</u></b>	<b><u>22,280</u></b>
<b>Non-Current Liabilities</b>		
Borrowings	54,426	55,397
Deferred Tax Liabilities	1,678	1,678
	<u>56,104</u>	<u>57,075</u>
<b>Current Liabilities</b>		
Trade Payables	8,249	10,156
Other Payables and Accruals	4,828	5,426
Amount Owing to Directors	4,101	8,275
Borrowings	20,594	11,042
Provision for Taxation	239	252
	<u>38,011</u>	<u>35,151</u>
<b>Total Liabilities</b>	<b><u>94,115</u></b>	<b><u>92,226</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>116,585</u></b>	<b><u>114,506</u></b>
<b>Net Assets Per Ordinary Share Attributable to Ordinary Equity Shareholders (RM)</b>	<b>0.19</b>	<b>0.19</b>

Notes:-

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2012 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 2013**

	<b>Current Year Quarter 31.03.13 (Unaudited) RM'000</b>	<b>Individual Quarter Preceding Year Corresponding Quarter 31.03.2012 (Unaudited) RM'000</b>	<b>Current Year To Date (9 months) 31.03.13 (Unaudited) RM'000</b>	<b>Cumulative Quarter Preceding Year Corresponding Period (9 months) 31.03.2012 (Unaudited) RM'000</b>
Revenue	21,774	21,602	75,431	62,569
Cost of Sales	(17,449)	(16,768)	(62,091)	(52,737)
<b>Gross Profit</b>	<b>4,325</b>	<b>4,834</b>	<b>13,340</b>	<b>9,832</b>
Other Income	377	841	1,015	1,439
Administrative Expenses	(1,867)	(1,599)	(5,005)	(11,122)
Selling and Distribution Expenses	(1,357)	(1,741)	(5,183)	(5,537)
<b>Operating Profit/(Loss)</b>	<b>1,478</b>	<b>2,335</b>	<b>4,167</b>	<b>(5,388)</b>
Finance Costs	(1,436)	(151)	(3,716)	(466)
<b>Profit/(Loss) Before Taxation</b>	<b>42</b>	<b>2,184</b>	<b>451</b>	<b>(5,854)</b>
Taxation	(10)	-	(10)	(7)
<b>Profit/(Loss) for the Period</b>	<b>32</b>	<b>2,184</b>	<b>441</b>	<b>(5,861)</b>
<b>Earnings Per Share</b>				
- Basic (sen)	0.02	1.82	0.37	(4.88)
- Diluted (sen)	-	-	-	-

Notes:-

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2012 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 2013**

	Share Capital	-----Non-Distributable-----		Distributable Accumulated Losses	Total Equity
		Exchange Translation Reserve	Revaluation reserve		
	RM'000	RM'000	RM'000	RM'000	RM'000
<b><u>Audited</u></b>					
Balance as at 1 January 2011	60,000	(4,509)	-	(10,750)	44,741
Foreign Currency Translation	-	(146)	-	-	(146)
Revaluation of land and building			4,393		4,393
Loss for the Period (18 months period)	-	-	-	(26,708)	(26,708)
Balance as at 30 June 2012	60,000	(4,655)	4,393	(37,458)	22,280
<b><u>Unaudited</u></b>					
Balance as at 1 July 2012	60,000	(4,655)	4,393	(37,458)	22,280
Foreign Currency Translation	-	(251)	-	-	(251)
Revaluation of land and building	-	-	-	-	-
Profit for the Period	-	-	-	441	441
Balance as at 31 March 2013	60,000	(4,906)	4,393	(37,017)	22,470

Note:-

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2012 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 2013**

	<b>Current Year to Date</b>	<b>Preceding Year Corresponding Period</b>
	<b>(9 months)</b>	<b>(15 months)</b>
	<b>31.03.12</b>	<b>31.03.2012</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Operations	72,340	104,660
Payment to Suppliers and Employees	(80,274)	(107,655)
Income Tax Paid	49	(228)
Interest Paid	-	(589)
<b>Net Cash used in Operating Activities</b>	<b>(7,885)</b>	<b>(3,812)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Disposal of Property, Plant and Equipment	28	4,801
Purchase of Property, Plant and Equipment	(267)	(260)
Withdrawal of Fixed Deposit	100	-
<b>Net Cash (used in)/from Investing Activities</b>	<b>(139)</b>	<b>4,541</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Hire Purchase Payables	525	387
Repayment of Hire Purchase Payables	(710)	(850)
Repayment of Term Loan	9,118	-
Advance from Directors	4,101	-
Interest Paid	(3,716)	-
<b>Net Cash from/(used in) Financing Activities</b>	<b>9,318</b>	<b>(463)</b>
<b>Net increase in Cash and Cash Equivalents</b>	<b>1,294</b>	<b>266</b>
Effects of Foreign Exchange Rates Changes	41	149
<b>Cash and Cash Equivalents at Beginning</b>	<b>7,100</b>	<b>(5,153)</b>
<b>Cash and Cash Equivalents at End</b>	<b>8,435</b>	<b>(4,738)</b>
<b>Represented by:-</b>		
Fixed Deposits with Licensed Banks	5,000	-
Cash and Bank Balances	3,435	1,765
Bank Overdrafts	-	(6,503)
	<b>8,435</b>	<b>(4,738)</b>

Notes:-

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2012 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 QUARTER**  
**ENDED 31 MARCH 2013**

**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 period ended (“FRS”) 30 June 2012.

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

Paragraph 20 of MFRS 134 requires the comparative statements to be presented from the comparable interim period (current and period-to-date) of immediate preceding financial year. Save for statement of financial position and, the comparatives disclosed in these condensed financial statements are for the 3-month period from 1 July 2012 to September 2012, not from the beginning of the preceding financial period of 1 January 2012, as the Group changed its financial year in 2011 from 31 December 2011 to 30 June 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 as at and for the 18 month period ended 30 June 2012 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

**KBB RESOURCES BERHAD (Company No.583565-U)**  
**NOTES TO THE INTERIM FINANCIAL REPORTS FOR QUARTER**  
**ENDED 31 MARCH 2013**

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

**A2) Changes in Accounting Policies (continued)**

MFRS 112	Income Taxes
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
NFRS 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 QUARTER**  
**ENDED 31 MARCH 2013**

**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 West Malaysia and East Malaysia. The segmental information for the past nine months ended 31<sup>st</sup> March 2013 was as follows:

	<b>Revenue</b>	<b>Total Assets</b>	<b>Capital Expenditures</b>
	<b>RM’000</b>	<b>RM’000</b>	<b>RM’000</b>
West Malaysia	65,833	92,728	171
East Malaysia	9,598	23,857	96
	<u>75,431</u>	<u>116,585</u>	<u>267</u>

**A9) Valuation of Property, Plant and Equipment (PPE)**

The Group had carried out the valuation on its property, plant and equipment from the previous audited annual financial statements. 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**

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 QUARTER**  
**ENDED 31 MARCH 2013**

**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 QUARTER**  
**ENDED 31 MARCH 2013**

**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**

	<b>Jan – Mar 2013 RM'000</b>	<b>Oct – Dec 2012 RM'000</b>	<b>Jan – Mar 2012 RM'000</b>	<b>Jul'12 – Mar'13 RM'000</b>	<b>Jul'11 – Mar'12 RM'000</b>
<b>Revenue</b>					
- West Malaysia	20,275	17,235	19,941	65,833	56,768
- East Malaysia	1,499	3,985	1,661	9,598	5,801
<b>Total</b>	<b>21,774</b>	<b>21,220</b>	<b>21,602</b>	<b>75,431</b>	<b>62,569</b>
<b>Profit/(Loss) before tax</b>					
- West Malaysia	75	612	2,827	(172)	(5,126)
- East Malaysia	(33)	(408)	(643)	623	(728)
<b>Total</b>	<b>42</b>	<b>204</b>	<b>2,184</b>	<b>451</b>	<b>(5,854)</b>

*Comparison with corresponding period in the previous year*

The Group recorded stable revenue of approximately RM21.77 million in the current individual quarter ended 31 March 2013 as compared with the revenue of approximately RM21.60 million in the preceding individual quarter of the preceding year which represents an increase in revenue of approximately RM0.17 million or 0.80%.

The Group recorded profit before tax of approximately RM0.04 million in the current individual quarter compared with the profit before tax of approximately RM2.18 million in the corresponding individual quarter of the preceding year mainly due to implementation of repair and maintenance program for machinery and increased cost of raw materials.

For West Malaysia, its revenue for the current quarter has been increased by approximately RM0.33 million as compared to corresponding quarter in previous year due to increased in sales volume of bihun. The profit before taxation for the quarter has been decreased by approximately RM2.57 million as compared to corresponding quarter in previous year due to cost of raw materials and upgrading of machineries.

For East Malaysia, its revenue for the current quarter has been decreased by approximately RM0.16 million as compared to corresponding quarter in previous year due to decreased sales volume of Bihun. The loss before taxation for the quarter has been decreased by approximately RM0.61 million as compared to corresponding quarter in previous year due to rationalization and consolidation of its business operations.

**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 (continued)**

*Comparison with preceding quarter*

The Group recorded stable revenue of approximately RM21.77 million in the current quarter compared with the revenue of approximately RM21.22 million in the preceding quarter. The increased in revenue for the current quarter was mainly due to improve the operation efficiency and productivity.

The Group recorded profit before tax of approximately RM0.04 million in the current quarter compared with profit before tax of approximately RM0.20 million in the immediate preceding quarter which was mainly attributable to the increase cost of repair and maintenance for machineries and raw materials.

For West Malaysia, its revenue for the current quarter has been increased by approximately RM3.04 million and decreased revenue of East Malaysia by approximately RM2.49 million as compared to preceding quarter due to improve the operation efficiency and productivity. The West Malaysia's profit before taxation for the quarter has been decreased by approximately RM0.54 million and East Malaysia's loss before taxation for the quarter mainly due to increase in production overhead expenses as a result of maintenance of machinery to improve in operation efficiency and productivity in the rice and sago sticks (vermicelli).

*Financial period to date*

The Group's revenue for the financial period has been increased by approximately RM12.86 million as compared to the corresponding period which was mainly due to increase in market shares of Bihun and Laksa. The Group's profit before taxation has been increased by approximately RM6.31 million as compared to the corresponding period as a result of inventories written off, impairment losses of Property, Plant and Machinery and provision for doubtful debts in previous year.

**KBB RESOURCES BERHAD (Company No.583565-U)**  
**NOTES TO THE INTERIM FINANCIAL REPORT FOR QUARTER**  
**ENDED 31 MARCH 2013**

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

**B2) 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 completion of the Group's restructuring exercise, 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.

**B3) Variance between Actual Profit and Forecast Profit**

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

**B4) Taxation**

	<b>Current Year Quarter 31.03.13 RM'000</b>	<b>Current Year-to- Date 31.03.13 RM'000</b>
Income Tax	(10)	(10)
Deferred Tax	-	-
	<u>(10)</u>	<u>(10)</u>

**B5) Unquoted Investments and Properties**

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

**B6) Quoted Securities**

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

**KBB RESOURCES BERHAD (Company No.583565-U)**  
**NOTES TO THE INTERIM FINANCIAL REPORT FOR QUARTER**  
**ENDED 31 MARCH 2013**

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

**B7) Corporate Proposals**

On 4 December 2012, the Board had resolved to cancel the Proposed Private Placement is contemplating on undertaking other fund raising exercise in lieu of the Proposed Private Placement.

On 28 January 2013, KBB entered into the Share Sale Agreement with Ren Zhao Feng and Ting Ming Hung to purchase 10% of the entire issued and paid-up capital of World Granary Holding Limited for a total purchase consideration of RM21,000,000 to be satisfied by the issuance of 35,000,000 new ordinary shares of RM0.50 each in KBB at the price of RM0.60 each.

On 3 April 2013, KBB is proposing to undertake the following :-

1. Proposed reduction of its exiting issued and paid-up share capital from RM60,000,000 comprising 120,000,000 ordinary shares of RM0.50 each in KBB to RM18,000,000 comprising 120,000,000 ordinary shares of RM0.15 each in KBB via the cancellation of RM0.35 from the par value of each existing ordinary RM0.50 each in KBB pursuant to Section 64 the Companies Act, 1965 (“Proposed Par Value Reduction”);
2. Proposed renounceable rights issue of up to 120,000,000 new ordinary shares of RM0.15 each in KBB (“Rights Shares”) together with up to 120,000,000 free detachable warrants (“Warrants”) at the issue price of RM0.18 per Rights Share after the Proposed Capital Reduction on the basis of one (1) Rights Share for every one (1) ordinary share of RM0.15 each in KBB held together with one (1) free Warrant for one (1) Rights Share subscribed at an entitlement date to be determined later (“Proposed Rights Issue with Warrants”); and
3. Proposed amendment to relevant clauses of the Memorandum and/or Articles of Association of the Company for the Proposed Par Value Reduction (“Proposed Amendment”).

**KBB RESOURCES BERHAD (Company No.583565-U)**  
**NOTES TO THE INTERIM FINANCIAL REPORT FOR QUARTER**  
**ENDED 31 MARCH 2013**

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

**B8) Borrowings and Debts Securities**

The Groups' borrowings as at 31<sup>st</sup> March 2013 are as follows:-

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Short Term Borrowings:-</b>			
Hire Purchase Payables	-	48	48
Short Term Loan	9,396	5,804	15,200
Term Loans	5,346	-	5,346
	<u>14,742</u>	<u>5,852</u>	<u>20,594</u>
<b>Long Term Borrowings:-</b>			
Hire Purchase Payables	-	194	194
Term Loans	54,232	-	54,232
	<u>54,232</u>	<u>194</u>	<u>54,426</u>
<b>Total</b>	<u>68,974</u>	<u>6,046</u>	<u>75,020</u>

Included in the Group's borrowings is foreign currency borrowings denominated in Indonesian Rupiah amounting IDR18.108 billion, equivalent to approximately RM5.80 million.

**B9) Off Balance Sheet Financial Instruments**

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

**B10) 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 REPORTS FOR QUARTER**  
**ENDED 31 MARCH 2013**

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

**B11) 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:-

	<b>Current 9 Months Period Ended</b>	<b>Individual Quarter Preceding Year Corresponding Quarter</b>	<b>Current Year to Date</b>	<b>Cumulative Period Preceding Year Corresponding Period</b>
	<b>31.03.2013 RM'000</b>	<b>31.03.2012 RM'000</b>	<b>31.03.2013 RM'000</b>	<b>31.03.2012 RM'000</b>
Profit/(Loss) for the Period (RM'000)	32	2,184	441	(5,861)
Weighted Average Number of Ordinary Shares of RM0.50 each ( '000)	120,000	120,000	120,000	120,000
Earnings Per Share				
- Basic (sen)	0.02	1.82	0.37	(4.88)
- 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:-

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2012 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 QUARTER**  
**ENDED 31 MARCH 2013**

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

**B12) Realised and Unrealised Loss**

	<b>31.03.2013</b>	<b>31.03.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained earnings of the Company and its subsidiaries :-		
- Realised	(90,509)	(35,970)
- Unrealised	(1,678)	(1,441)
	<u>(92,187)</u>	<u>(37,411)</u>
Consolidation adjustments	55,170	16,780
Total accumulated losses of the Group as per consolidated accounts	<u><u>(37,017)</u></u>	<u><u>(20,631)</u></u>

**KBB RESOURCES BERHAD (Company No.583565-U)**  
**NOTES TO THE INTERIM FINANCIAL REPORTS FOR QUARTER**  
**ENDED 31 MARCH 2013**

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

**B13) Profit / (Loss) for the period / year**

	<b>Current Year Quarter</b>	<b>Individual Quarter Preceding Year Corresponding Quarter</b>	<b>Current Year to Date <sup>(2)</sup></b>	<b>Cumulative Quarter Preceding Year Corresponding Period</b>
	<b>31.03.2013 (Unaudited) RM'000</b>	<b>31.03.12 (Unaudited) RM'000</b>	<b>31.03.2013 (Unaudited) RM'000</b>	<b>31.03.2012 (Unaudited) RM'000</b>
<b>Profit / (Loss) for the period / year is arrive at after charging / (crediting) :-</b>				
Interest expense	2,435	151	4,715	466
Depreciation	2,046	2,362	6,444	7,233
Impairment loss on trade receivables	-	301	-	2,421
Impairment loss on disposal of Property, plant & equipment	-	20	-	4,043
Foreign exchange loss	164	-	239	6
Rental Income	(240)	(440)	(720)	(840)
(Gain)/Loss on disposal of property, plant & equipment	20	-	23	524

Notes:-

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 30 June 2012 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 QUARTER**  
**ENDED 31 MARCH 2013**

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

**B14) Audit Report Qualifications**

The auditors' report on the preceding audited financial statements of the Company and its subsidiaries for the financial period ended 30 June 2012 did not contain any qualification.

**B15) Authorization for Issue**

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