

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2013
(The figures have not been audited)

	Note	Quarter ended 31.03.13 RM'000	Quarter ended 31.03.12 RM'000 (#)	Year to date 31.03.13 RM'000	Year to date 31.03.12 RM'000 (#)
Revenue	17	25,416	31,303	144,191	153,862
Operating expenses		(33,645)	(32,263)	(148,394)	(149,851)
Other income		682	205	1,250	5,634
Operating profit		(7,547)	(755)	(2,953)	9,645
Finance costs		(1,247)	(1,356)	(4,618)	(5,550)
Profit after finance costs		(8,794)	(2,111)	(7,571)	4,095
Share of profit/(loss) from an associate company		80	25	66	(206)
Profit before taxation	18	(8,714)	(2,086)	(7,505)	3,889
Taxation	19	906	2,112	1,092	1,659
Profit for the period from continuing operations		(7,808)	26	(6,413)	5,548
Discontinued operations					
Profit for the period from discontinued operations		-	-	-	328
		(7,808)	26	(6,413)	5,876
Other comprehensive income					
Foreign currency translation differences on foreign operations		16	23	(24)	5
Total comprehensive income for the period		(7,792)	49	(6,437)	5,881
Attributable to :					
Owners of the Parent					
- Continuing operations		(7,646)	(338)	(6,491)	5,013
- Discontinued operations		-	-	-	328
		(7,646)	(338)	(6,491)	5,341
Non-controlling interests		(162)	364	78	535
Profit for the period		(7,808)	26	(6,413)	5,876
Attributable to :					
Owners of the Parent					
- Continuing operations		(7,630)	(315)	(6,515)	5,018
- Discontinued operations		-	-	-	328
		(7,630)	(315)	(6,515)	5,346
Non-controlling interests		(162)	364	78	535
Total comprehensive income for the period		(7,792)	49	(6,437)	5,881
Earnings per share attributable to owners of the parent (Sen)	25				
- Basic, profit from continuing operations		(5.53)	(0.24)	(4.69)	3.62
- Basic, profit from discontinued operations		-	-	-	0.24
		(5.53)	(0.24)	(4.69)	3.86
Diluted earnings per share (sen)		-	-	-	-

Notes:

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2012.

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

BOON KOON GROUP BERHAD
Company No. 553434-U

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013
(The figures have not been audited)

		As At 31.03.13 RM'000	(Restated) As At 31.03.12 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		50,856	54,075
Goodwill		-	21
Investment in an associate company		2,419	1,476
Deferred tax assets		3,350	1,950
		<u>56,625</u>	<u>57,522</u>
Current assets			
Inventories		42,920	67,354
Trade receivables		28,458	35,460
Other receivables, deposits and prepayments		3,427	6,011
Tax recoverable		102	616
Cash and bank balances	21	12,457	13,188
		<u>87,364</u>	<u>122,629</u>
TOTAL ASSETS		<u>143,989</u>	<u>180,151</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent			
Share capital		69,188	69,188
Exchange translation reserve		(19)	5
Accumulated losses	23	(24,247)	(17,756)
		<u>44,922</u>	<u>51,437</u>
Non-controlling interest		84	10,941
Total equity		<u>45,006</u>	<u>62,378</u>
Non-current liabilities			
Borrowings	24	27,879	6,752
Deferred tax liabilities		1,670	1,186
		<u>29,549</u>	<u>7,938</u>
Current liabilities			
Trade payables		11,876	10,372
Other payables and accruals		5,418	7,171
Borrowings	24	52,140	92,042
Derivative financial liabilities		-	191
Provision for taxation		-	59
		<u>69,434</u>	<u>109,835</u>
Total liabilities		<u>98,983</u>	<u>117,773</u>
TOTAL EQUITY AND LIABILITIES		<u>143,989</u>	<u>180,151</u>
Net assets per share attributable to owners of the Parent (RM)		0.32	0.37

Notes:

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2013
(The figures have not been audited)

	----Attributable to Owners of the Parent----			Total	Non-controlling interests	Total Equity
	Share Capital	Exchange Translation Reserve	Accumulated Losses			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>12 months period ended 31 March 2012</u>						
At 1 April 2011 (as previously stated)	69,188	741	(23,838)	46,091	10,406	56,497
Adjustment for MFRS 1	-	(741)	741	-	-	-
At 1 April 2011 (as restated)	69,188	-	(23,097)	46,091	10,406	56,497
Total comprehensive income for the period	-	5	5,341	5,346	535	5,881
At 31 March 2012	69,188	5	(17,756)	51,437	10,941	62,378
<u>12 months period ended 31 March 2013</u>						
At 1 April 2012 (as previously stated)	69,188	746	(18,497)	51,437	10,941	62,378
Adjustment for MFRS 1	-	(741)	741	-	-	-
At 1 April 2012 (as restated)	69,188	5	(17,756)	51,437	10,941	62,378
Total comprehensive income for the period	-	(24)	(6,491)	(6,515)	78	(6,437)
Disposal of equity interest in a subsidiary	-	-	-	-	(10,935)	(10,935)
At 31 March 2013	69,188	(19)	(24,247)	44,922	84	45,006

Notes:

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2013
(The figures have not been audited)

	Year to date 31.03.13 RM'000	Year to date 31.03.12 RM'000 (#)
Profit before taxation		
- Continuing operations	(7,505)	3,889
- Discontinued operations	-	410
	<u>(7,505)</u>	<u>4,299</u>
Adjustments for :		
Amortisation of IMTN issuance expenses	74	99
Bad debts	-	259
Depreciation	5,516	6,547
Fair value (gain)/loss on derivative financial instrument	(15)	191
(Gain)/Loss on disposal of investment in a subsidiary	5,735	(4,054)
Gain on disposal of non-current assets held for sale	-	(364)
(Gain)/Loss on disposal of property, plant and equipment	17	(261)
Impairment loss on receivables	1,357	2,568
Impairment loss on goodwill	21	-
Interest expense	4,618	5,969
Interest income	(134)	(1,855)
Inventories written down	898	1
Inventories written off	-	81
Property, plant and equipment written off	23	65
Share of results of an associate	(65)	(206)
Unrealised gain on foreign exchange	(285)	(200)
Operating profit before changes in working capital	<u>10,255</u>	<u>13,139</u>
Changes in working capital		
Changes in inventories	4,270	(2,965)
Changes in trade and other receivables	328	(3,570)
Changes in trade and other payables	5,691	3,962
Interest paid	(4,618)	(5,969)
Interest received	12	1,658
Income tax refund	240	-
Income tax paid	(544)	(563)
Net cash flows from operating activities	<u>15,634</u>	<u>5,692</u>
Investing activities		
Interest received	122	103
Cash flow from disposal of investment in a subsidiary	511	8,545
Proceeds from disposal of property, plant and equipment	5,596	356
Proceeds from disposal of non-current assets held for sale	-	4,534
Investment in an associate company	(900)	-
Purchase of property, plant and equipment	(5,529)	(3,472)
Net cash flows used in investing activities	<u>(200)</u>	<u>10,066</u>
Financing activities		
Withdrawal/(placement) of short-term deposits	737	3
Repayment of borrowings	(45,525)	(35,445)
Proceeds from borrowings	29,478	6,528
Net cash flows used in financing activities	<u>(15,310)</u>	<u>(28,914)</u>
Net (decrease)/increase in cash and cash equivalents	124	(13,156)
Effects of changes in exchange rates	(17)	76
Cash and cash equivalents at beginning of the period	12,350	25,430
Cash and cash equivalents at end of the period	<u>12,457</u>	<u>12,350</u>
Represented by :		
Cash and cash equivalents	12,457	12,451
Bank overdrafts	-	(101)
	<u>12,457</u>	<u>12,350</u>

Notes :

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2012.

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2013

1. Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134 : Interim Financial Reporting issued by Malaysian Accounting Standard Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The Interim Financial Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2012.

The Group has adopted the MFRS framework issued by the MASB with effect from 1 April 2012. This MFRS framework was introduced in order to fully converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standard Board. Whilst all FRSs issued under the previous FRS framework were equivalent to the MFRSs issued under MFRS framework. There were some differences in relation to the transitional provisions and effective dates contained in certain of the FRSs. The financial effects of convergence to the MFRS framework and any consequential changes in accounting policies as a result of the convergence were discussed in Note 2.1 Adoption of Malaysian Financial Reporting Standards (MFRS).

2. Changes in Accounting Policies

The significant accounting policies, methods of computation and basis of consolidation adopted by the Group in preparing the interim financial statements were consistent with those adopted in the annual audited financial statements for the year ended 31 March 2012 except for the adoption of the following new MFRSs and IC Interpretations :-

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 2	Share-based Payment
MFRS 3	Business Combinations
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations
MFRS 7	Financial Instruments : Disclosures
MFRS 8	Operating Segments
MFRS 101	Presentations of Financial Statements
MFRS 102	Inventories
MFRS 107	Statements of Cash Flows
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 110	Events after the Reporting Period
MFRS 112	Income Taxes
MFRS 116	Property, Plant and Equipment
MFRS 117	Leases
MFRS 118	Revenue
MFRS 119	Employee Benefits
MFRS 121	The Effects of Changes in Foreign Exchange Rates
MFRS 123	Borrowing Costs
MFRS 124	Related Party Disclosures
MFRS 127	Consolidated and Separate Financial Statements
MFRS 128	Investments in Associates
MFRS 131	Interests in Joint Ventures
MFRS 132	Financial Instruments : Presentations
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
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
IC Interpretation 115	Operating Leases - Incentives
IC Interpretation 127	Evaluating the Substance of Transactions Involving the Legal Form of a Lease

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2013

2.1 Adoption of Malaysian Financial Reporting Standards (MFRS)

The audited financial statements of the Group for the year ended 31 March 2012 were prepared in accordance with Financial Reporting Standards (FRSs). As the requirements under FRS and MFRS are similar, the significant accounting policies and method of computation adopted in these quarterly interim financial reports are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 March 2012 except as discussed below :

(a) Foreign currency translation reserve

Under FRS, the Group recognised translation differences on foreign operations as a separate component of equity. MFRS 1 provides the optional exemption that cumulative foreign currency translation differences for all foreign operations were deemed to be zero as at the date of transition to MFRS.

Accordingly, at the date of transition to MFRS, the cumulative foreign currency translation differences of RM741,044.36 were adjusted to retained earnings.

The effect of the adoption of MFRS on the consolidated statement of financial position were as follows :

	As previously stated RM'000	Effect of adoption of MFRS RM'000	As restated RM'000
<u>Statement of Financial Position as at 1 Apr 2011</u>			
Exchange translation reserve	741	(741)	-
Accumulated losses	(23,838)	741	(23,097)
<u>Statement of Financial Position as at 31 Mar 2012</u>			
Exchange translation reserve	746	(741)	5
Accumulated losses	(18,497)	741	(17,756)

2.2 MFRS, Amendments to MFRSs and IC Interpretation Issued But Not Yet Effective

At the date of authorization of these financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group :

	<u>Effective Date</u>
MFRS 9	1 January 2015
MFRS 10	1 January 2013
MFRS 11	1 January 2013
MFRS 12	1 January 2013
MFRS 13	1 January 2013
MFRS 119	1 January 2013
MFRS 127	1 January 2013
MFRS 128	1 January 2013
Amendments to MFRS 1	1 January 2013
Amendments to MFRS 3	1 January 2013
Amendments to MFRS 7	1 January 2013
Amendments to MFRS 10, MFRS 11, MFRS 12	1 January 2013
Amendments to MFRS 101	1 July 2012
Amendments to MFRS 101	1 January 2013
Amendments to MFRS 116	1 January 2013
Amendments to MFRS 119	1 January 2013
Amendments to MFRS 127	1 January 2013
Amendments to MFRS 128	1 January 2013
Amendments to MFRS 132	1 January 2013
Amendments to MFRS 132	1 January 2014
Amendments to MFRS 134	1 January 2013

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2013

3. Audit Report

The auditors' report on the financial statements for the year ended 31 March 2012 was not qualified.

4. Seasonality or Cyclicity

The Group's performance was not significantly affected by any seasonal or cyclical factor for the financial period under review.

5. Exceptional Items

There were no exceptional items for the financial period under review.

6. Estimates

There were no material changes in the estimates for the financial period under review.

7. Issuance or Repayment of Debt/Equity Securities

There were no issuance of debt/equity securities for the financial period under review.

8. Dividends

No dividend was declared or paid for the financial period under review.

9. Valuation of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment for the financial period under review.

10. Subsequent Events

There were no material events subsequent to the end of the financial period under review that have not been reflected in the quarterly financial statements.

11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the financial period under review except for below:-

(a) The Company via its wholly owned subsidiary, BKCV Sdn Bhd had on 18 September 2012 subscribed 30% equity interest equivalent to 600,000 ordinary shares of RM1.00 each in CNMY Truck Sdn Bhd, of which 600,000 ordinary shares of RM1.00 each have been issued and fully paid up. After the said shares subscription, CNMY Truck Sdn Bhd became an associate company of Boon Koon Group Berhad. The principal activity of CNMY Truck Sdn Bhd is selling of new commercial vehicles and the provision of related services.

(b) The Company had on 11 March 2013 entered into a conditional share purchase agreement with its 54.63% owned subsidiary, GKY Machinery (M) Sdn Bhd ("GKYM") in relation to the acquisition of 100% equity interest in GKY Equipment Rental (M) Sdn Bhd ("GKYER") for a cash consideration of RM10,144,257 ("Acquisition"). The Acquisition has been completed on 18 March 2013. Consequent to the Acquisition, GKYER become 100% owned subsidiary of Boon Koon Group Berhad.

(c) The Company had on 19 March 2013 entered into a conditional share purchase agreement with third (3rd) party in relation to the disposal of 54.63% equity interest in GKY Machinery (M) Sdn Bhd ("GKYM") for a cash consideration of RM7,421,911. The Disposal has been completed on 25 March 2013. With this, GKYM and its 55% owned subsidiary company, namely GKY Commercial (M) Sdn Bhd ceased to be subsidiaries of the Group accordingly.

12. Contingent Liabilities

Corporate guarantee extended by the Group to banks for credit facilities granted to subsidiaries as at the end of the current quarter under review were as follows :-

	As At 31.03.13 RM'000	As At 31.03.12 RM'000
- Limit	<u>56,956</u>	<u>76,202</u>
- Utilised	<u>54,277</u>	<u>69,684</u>

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2013

13. Capital Commitments

There were no outstanding capital commitments at the end of the current quarter under review.

14. Profit Forecast Variance

Not applicable.

15. Corporate Proposals

Except for the following disclosure, there were no corporate proposals announced but not yet completed by the Group for the financial period under review.

On 25 October 2012, The Board of Directors of the BKG announced that the Company is proposing to undertake the following proposals:-

- (a) Proposed share capital reduction via the cancellation of RM0.30 of the par value of each existing ordinary share of RM0.50 each in BKG pursuant to Section 64(1) of the Companies Act, 1965 ("**Proposed Capital Reduction**");

- (b) Proposed renounceable rights issue of up to 138,375,000 new ordinary shares of RM0.20 each in BKG together with up to 138,375,000 free detachable warrants on the basis of one (1) RM0.20 Share together with one (1) free Warrant for every one (1) RM0.20 Share each held on an entitlement date to be determined later ("**Proposed Rights Issue**");

- (c) Proposed amendments to the Memorandum and Articles of Association of the Company to facilitate the Proposed Capital Reduction ("**Proposed Amendments**"); and

- (d) Proposed exemption to Dato' Goh Boon Koon, Goh Boon Leong and parties acting in concert ("**PAC**") with them under Paragraph 16.1 of Practice Note 9 of the Malaysian Code on Take-Overs and Mergers 2010 ("**Code**") from the obligation to undertake a mandatory take-over offer to acquire the remaining RM0.20 Shares and Warrants not already held by Dato' Goh Boon Koon, Goh Boon Leong and their PACs upon the completion of the Proposed Rights Issue as prescribed under Part III of the Code ("**Proposed Exemption**");

On 7 December 2012, AmInvestment Bank Berhad had, on behalf of Board of Directors of BKG, announced that Bursa Securities had vide its letter dated 7 December 2012, resolved to approve the following:-

- (a) Admission to the Official List and the listing of and quotation for up to 138,375,000 Warrants to be issued pursuant to the Proposed Rights Issue;
- (b) The listing of up to 138,375,000 new RM0.20 Shares to be issued pursuant to the Proposed Rights Issue; and
- (c) The listing of up to 138,375,000 new RM0.20 Shares to be issued pursuant to the exercise of the Warrants.

The approval granted by Bursa Securities was subject to the following conditions:-

- (a) BKG and AmInvestment Bank must fully comply with the relevant provisions under the Bursa Securities Main Market Listing Requirements pertaining to the implementation of the Proposed Rights Issue;
- (b) BKG and AmInvestment Bank to inform Bursa Securities upon the completion of the Proposed Rights Issue;
- (c) BKG to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the completion of the Proposed Rights Issue;
- (d) BKG is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable;
- (e) The Bank Negara Malaysia's approval for the issuance of the Warrants to the non-residents entitled shareholders of the Company pursuant to the Proposed Rights Issue and to furnish a copy of the said approval letter to Bursa Securities;
- (f) The SC's approval for the Proposed Exemption and to furnish a copy of the said approval letter to Bursa Securities;
- (g) The Sanction by the High Court of Malaya for the Proposed Capital Reduction and to furnish a copy of the court order to Bursa Securities; and
- (h) To incorporate the comments from Bursa Securities in the circular to the shareholders of BKG.

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2013

Apart from the above, the said corporate proposals had been approved by the relevant authorities and shareholders of the Company as follows :-

- (a) On 11 December 2012, Bank Negara Malaysia had vide its letter dated 5 December 2012 (which was received on 11 December 2012) approved the issuance of warrants pursuant to the Proposed Rights Issue to non-resident shareholders of BKG.
- (b) On 6 March 2013, the shareholders of the Company had approved all the resolutions as set out in the Notice of EGM dated 7 February 2013 via show of hands except for Ordinary Resolution 2 which was decided on a poll as required under the Malaysian Code on Take-Overs and Mergers 2010.
- (c) On 15 April 2013, Securities Commission had vide its letter dated 12 April 2013 (which was received on 15 April 2013) approved the Proposed Exemption.
- (d) On 26 April 2013, the High Court of Malaya at Kuala Lumpur had granted an order confirming the Proposed Capital Reduction. The sealed order will be extracted and an office copy of the order will be lodged with the Companies Commission of Malaysia for the Proposed Capital Reduction to take effect.
- (e) On 7 May 2013, the sealed order of the High Court of Malaya confirming the capital reduction has been lodged with the Companies Commission of Malaysia. This also marks the completion of BKG's capital reduction exercise. Consequently, the reduction of the par value of the ordinary shares of BKG from RM0.50 to RM0.20 per share will take effect from 7 May 2013.

16. Related Party Transactions

There were no related party transactions during the current quarter under review except as follows :-

	Quarter ended 31.03.13 RM'000	Year to date 31.03.13 RM'000
Rental expense paid to other related party*	-	(97)
Operating expenses paid to an associate	(156)	(188)
Hire purchase interest paid to an associate	(59)	(213)
Sales to an associate	83	890
Rental received from an associate	13	18
Management fee received from an associate	23	230
Handling charges received from an associate	19	26

* Being corporations in which certain directors of the Company have financial interest.

17. Detailed Analysis of Performance

Segmental information is presented in respect of the Group's business segments.

The Group comprises the following main business segments :

- (a) Commercial vehicles, forklifts, heavy machineries and bodyworks Manufacturing and trading of rebuilt commercial vehicles, reconditioned forklifts, heavy machineries and the manufacture of bodyworks and their related services
- (b) Rental and fleet management services Rental of commercial vehicles, provision of fleet management and other related services
- (c) Other Segment Investment holding and the provision of management services
- (d) Insurance and financing (Discontinued) Insurance agent, provision of hire purchase financing and its related services

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2013

	Quarter ended 31.12.12 RM'000	Quarter ended 31.03.13 RM'000	Quarter ended 31.03.12 RM'000	Year to date 31.03.13 RM'000	Year to date 31.03.12 RM'000
Revenue					
Continuing operations					
(a) Commercial vehicles, forklifts, heavy machineries and bodyworks	36,585	21,473	26,669	135,056	140,835
(b) Rental and fleet management services	2,816	2,571	3,750	11,853	14,963
(c) Other Segment	555	461	629	2,119	2,730
	<u>39,956</u>	<u>24,505</u>	<u>31,048</u>	<u>149,028</u>	<u>158,528</u>
Less : Elimination	<u>(3,506)</u>	<u>911</u>	<u>255</u>	<u>(4,837)</u>	<u>(4,666)</u>
	<u>36,450</u>	<u>25,416</u>	<u>31,303</u>	<u>144,191</u>	<u>153,862</u>
Discontinued operations					
(d) Insurance and financing (Discontinued)	-	-	-	-	1,865
Total	<u>36,450</u>	<u>25,416</u>	<u>31,303</u>	<u>144,191</u>	<u>155,727</u>
	Quarter ended 31.12.12 RM'000	Quarter ended 31.03.13 RM'000	Quarter ended 31.03.12 RM'000	Year to date 31.03.13 RM'000	Year to date 31.03.12 RM'000
Profit/(Loss) before taxation					
Continuing operations					
(a) Commercial vehicles, forklifts, heavy machineries and bodyworks	1,182	5,131	(106)	9,913	4,071
(b) Rental and fleet management services	(211)	(594)	(1,656)	(910)	(499)
(c) Other Segment	(859)	(6,016)	259	(8,511)	4,177
	<u>112</u>	<u>(1,479)</u>	<u>(1,503)</u>	<u>492</u>	<u>7,749</u>
Less : Elimination	<u>409</u>	<u>(7,315)</u>	<u>(608)</u>	<u>(8,063)</u>	<u>(3,654)</u>
	<u>521</u>	<u>(8,794)</u>	<u>(2,111)</u>	<u>(7,571)</u>	<u>4,095</u>
Share of profit from an associate	<u>(38)</u>	<u>80</u>	<u>25</u>	<u>66</u>	<u>(206)</u>
	<u>483</u>	<u>(8,714)</u>	<u>(2,086)</u>	<u>(7,505)</u>	<u>3,889</u>
Discontinued operations					
(d) Insurance and financing (Discontinued)	-	-	-	-	328
Total	<u>483</u>	<u>(8,714)</u>	<u>(2,086)</u>	<u>(7,505)</u>	<u>4,217</u>

Comparison with corresponding period in the previous year

(a) For commercial vehicles, forklifts, heavy machineries and bodyworks segment, total revenue for the current quarter was RM21.5 million, a decrease of 19.5% compared to RM26.7 million in the previous year's corresponding quarter. The decrease was mainly due to lower revenue recorded after the disposal of forklift division in March 2013. However, an exceptional gain of RM8.1 million on disposal of a subsidiary, namely GKY Equipment Rental (M) Sdn Bhd ("GKYER") to BKG which was recorded in GKY Machinery (M) Sdn Bhd ("GKYM") has resulted in the higher profit before tax for the current quarter under review. The profit was eliminated in the group consolidation level.

(b) For rental and fleet management services segment, total revenue for the current quarter was RM2.6 million, a decrease of 31.4% compared to RM3.8 million in the previous year's corresponding quarter. The decrease was mainly due to the expiry of fleet management contracts of commercial vehicles in the current quarter. Lower operating expenses and lower provision for impairment loss on receivables had resulted in a higher profit before taxation in the current quarter under review.

(c) Other Segment refers to BKG company level operation. Total revenue for the current quarter was RM0.5 million, a decrease of RM0.1 million as compared to RM0.6 million in previous year's corresponding quarter. Profit before taxation decreased mainly due to an exceptional loss on disposal of a subsidiary of RM2.9 million, provision of impairment loss on receivables of RM1.1 million and impairment loss on investment in subsidiary of RM1.2 million recorded in the current quarter.

(d) For insurance and financing segment, there were no revenue and profit before tax recorded for the current quarter as First Peninsula Credit Sdn Bhd had ceased to be a subsidiary of BKG on 30 November 2011.

Comparison with preceding quarter

(a) For commercial vehicles, forklifts, heavy machineries and bodyworks segment, total revenue for the current quarter was RM21.5 million, a decrease of 41.3% compared to RM36.6 million in the preceding quarter. Lower revenue was mainly due to a relatively lower demand of commercial vehicles during festive season and lower revenue recorded in forklifts division as a result of disposal of forklift business in March 2013 as compared to the preceding quarter. Profit before taxation increased by RM3.9 million, mainly due to an exceptional gain on disposal of subsidiary, namely GKYER to BKG which was recorded in GKYM company level in the previous quarter. However the profit was eliminated in the group consolidation level.

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2013

(b) For rental and fleet management services segment, total revenue had decreased by 8.7% to RM2.6 million from RM2.8 million recorded in the preceding quarter. The decrease in revenue was mainly due to lower rental business recorded in forklift rental division in the current quarter. Higher loss before taxation was mainly due to higher provision for impairment loss on receivables compared to the preceding quarter.

(c) For Other Segment, the total revenue for both quarters was recorded at RM0.5 million, a decrease of 16.9% compared to RM0.6 million in the preceding quarter. Higher loss before taxation was mainly due to an exceptional loss of RM2.9 million on disposal of a subsidiary, provision of impairment loss on receivables of RM1.1 million and impairment loss in investment in subsidiaries of RM1.2 million recorded in the current quarter.

(d) For insurance and financing segment, there were no revenue and profit before tax recorded for the current quarter as First Peninsula Credit Sdn Bhd had ceased to be a subsidiary of BKG on 30 November 2011.

18. Profit Before Taxation

This was arrived at :

	Quarter ended 31.03.13 RM'000	Year to date 31.03.13 RM'000
After charging :		
Amortisation of commercial papers issuance expenses	-	74
Depreciation	1,484	5,516
Impairment loss on receivables	1,157	1,357
Impairment loss on goodwill	21	21
Inventories written down to net realisable value	898	898
Interest expenses	1,247	4,618
Loss on disposal of property, plant and equipment	(153)	17
Loss on disposal of investment in subsidiary	5,735	5,735
Property, plant and equipment written off	22	23
Realised (gain)/loss on foreign exchange	(17)	151
And crediting :		
Unrealised gain/(loss) on foreign exchange	267	285
Fair value gain/(loss) on derivative financial instrument	-	15
Bad debts recovered	2	19
Interest income	34	134

19. Taxation

	Quarter ended 31.03.13 RM'000	Year to date 31.03.13 RM'000
Malaysian taxation based on profit for the period:		
-Current tax	93	93
-Deferred tax	813	999
	<u>906</u>	<u>1,092</u>

The Group's effective tax rate for the financial period under review was lower than statutory tax rate. These were mainly due to recognition of deferred tax asset in a subsidiary and utilisation of unabsorbed tax losses and capital allowance brought forward for certain subsidiaries.

20. Commentary of Prospects

The Group managed to further consolidate its business by disposing GKY Machinery (M) Sdn Bhd in March 2013. After divesting its investment in GKY Machinery (M) Sdn Bhd, the Group is able to focus solely on its two core business namely commercial vehicles division (rebuilt and new) and rental & fleet management division (forklift and commercial vehicle) respectively. Upon the expected completion of the Group's proposed rights issue exercise in July 2013 and barring any unforeseen circumstances, the Group anticipates to have a favourable performance in the financial year 2014.

21. Cash and Bank Balances

	As At 31.03.13 RM'000	As At 31.03.12 RM'000
Cash and cash equivalents	12,457	12,451
Pledged fixed deposits and short-term deposits with licensed bank	-	737
	<u>12,457</u>	<u>13,188</u>

Notes to the Interim Financial Statements for the fourth quarter ended 31 March 2013

22. Material Litigation

There were no material litigation for the financial period under review.

23. Realised and Unrealised Profits or Losses

The Group's total accumulated losses as at 31 March 2013 were as follows:-

	As At 31.03.13 RM'000	(Restated) As At 31.03.12 RM'000
Total accumulated losses		
- Realised	(25,723)	(7,704)
- Unrealised	1,984	773
	<u>(23,739)</u>	<u>(6,931)</u>
Total share of gain/(loss) of associate		
- Realised	66	(206)
	<u>(23,673)</u>	<u>(7,137)</u>
Less: Consolidation adjustments	(574)	(10,619)
Total accumulated losses as per consolidated accounts	<u>(24,247)</u>	<u>(17,756)</u>

24. Group Borrowings and Debt Securities

Group borrowings as at 31 March 2013 were as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Current liabilities</u>			
Islamic Medium Term Notes	-	-	-
Bank overdrafts	-	-	-
Bankers acceptance / Trade loans	44,862	-	44,862
Finance lease liabilities	4,452 *	-	4,452
Term loan	2,826	-	2,826
Sub-total	<u>52,140</u>	<u>-</u>	<u>52,140</u>
<u>Non-current liabilities</u>			
Term loan	24,354	-	24,354
Finance lease liabilities	3,525 *	-	3,525
Sub-total	<u>27,879</u>	<u>-</u>	<u>27,879</u>
Total	<u>80,019</u>	<u>-</u>	<u>80,019</u>

* Included herein was an amount of RM3.2 million obtained from First Peninsula Credit Sdn. Bhd., an associate of the Group.

25. Basis of Calculation of Earnings Per Share Attributable to Owners of the Parent

The basic earnings per share for the current quarter and cumulative year to date were computed as follows:

	Quarter ended 31.03.13	Year to date 31.03.13
Profit for the period attributable to the owners of the Parent (RM'000)	<u>(7,646)</u>	<u>(6,491)</u>
Weighted average number of ordinary shares of RM0.50 each in issue (units'000)	<u>138,375</u>	<u>138,375</u>
Basic Profit Per Share based on weighted average number of ordinary shares of RM0.50 each in issue (sen)	<u>(5.53)</u>	<u>(4.69)</u>

There were no diluted earnings per share as the Company does not have any convertible financial instruments as at the current year quarter and current year to date.

Date : 22 May 2013