

GE-SHEN CORPORATION BERHADCompany No. 633814-X
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 30 June 2012 RM'000	Preceding Year Corresponding Quarter 30 June 2011 RM'000	Current Year to Date 30 June 2012 RM'000	Preceding Year Corresponding Period 30 June 2011 RM'000
Revenue	23,432	21,880	46,509	42,582
Other income	569	110	598	116
Changes in inventories of finished goods and work-in-progress	(2,597)	(66)	(1,932)	134
Raw materials used	(8,580)	(10,395)	(20,094)	(21,383)
Employee benefits	(5,152)	(3,901)	(9,809)	(8,282)
Depreciation of property, plant and equipment	(1,376)	(1,425)	(2,680)	(2,842)
Other operating expenses	(4,734)	(4,488)	(9,783)	(9,855)
Finance costs	(129)	(170)	(256)	(300)
Profit Before Tax	1,433	1,545	2,553	170
Tax expense	(321)	(48)	(854)	(48)
Profit After Tax	1,112	1,497	1,699	122
Other Comprehensive Income				
Exchange differences on translating foreign operations	63	(862)	445	(143)
Total Comprehensive Income / (Expense) for the period	1,175	635	2,144	(21)
Profit After Tax Attributable to:				
Owners of the Company	1,148	1,467	1,737	82
Minority Interests	(36)	30	(38)	40
	1,112	1,497	1,699	122
Total Comprehensive Income / (Expense) Attributable to:				
Owners of the Company	1,211	605	2,182	(61)
Minority Interest	(36)	30	(38)	40
	1,175	635	2,144	(21)
Profit per Share (Sen)				
Basic (Note B14)	1.49	1.91	2.26	0.11
Diluted (Note B14)	1.49	1.91	2.26	0.11

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

GE-SHEN CORPORATION BERHADCompany No. 633814-X
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2012**

	<u>Unaudited</u> as at 30 June 2012 RM'000	<u>Audited</u> as at 31 December 2011 RM'000
ASSETS		
Non-Current Asset		
Property, plant and equipment	<u>32,323</u>	<u>32,900</u>
Current Assets		
Inventories	7,272	9,539
Trade receivables	12,247	8,877
Other receivables, deposits and prepayments	2,534	1,682
Fixed deposits	2,050	2,016
Cash and bank balances	<u>8,968</u>	<u>10,554</u>
	<u>33,071</u>	<u>32,668</u>
Total Assets	<u><u>65,394</u></u>	<u><u>65,568</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	40,000	40,000
Share premium	5,593	5,593
Treasury shares	(1,843)	(1,843)
Accumulated losses	(2,621)	(4,358)
Foreign exchange translation reserves	<u>577</u>	<u>132</u>
Total Equity Attributable to Owners of the Company	41,706	39,524
Minority interest	<u>25</u>	<u>(18)</u>
Total Equity	41,731	39,506
Non-Current Liabilities		
Bank borrowings	1,929	1,608
Deferred taxation	<u>1,864</u>	<u>1,864</u>
	<u>3,793</u>	<u>3,472</u>
Current Liabilities		
Trade payables	8,812	11,765
Other payables and accruals	3,251	2,990
Bank borrowings	6,664	7,177
Bank overdraft	476	404
Provision for taxation	<u>667</u>	<u>254</u>
	<u>19,870</u>	<u>22,590</u>
Total Liabilities	<u>23,663</u>	<u>26,062</u>
Total Equity and Liabilities	<u><u>65,394</u></u>	<u><u>65,568</u></u>
Net Assets per Ordinary Share Attributable to Owners of the Company (RM)	<u><u>0.54</u></u>	<u><u>0.51</u></u>

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

GE-SHEN CORPORATION BERHADCompany No. 633814-X
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**

	Current Year to Date	Preceding Year Corresponding Period
	30 June 2012 RM'000	30 June 2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,553	170
Adjustment for:-		
Non-cash items	3,598	2,918
Non-operating items	218	257
Operating profit before working capital changes	<u>6,369</u>	<u>3,345</u>
Net changes in current assets	(2,197)	(1,476)
Net changes in current liabilities	<u>(1,570)</u>	<u>(273)</u>
CASH FROM OPERATIONS	2,602	1,596
Interest paid	(256)	(282)
Tax refund	-	1,056
Tax paid	<u>(441)</u>	<u>(464)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>1,905</u>	<u>1,906</u>
NET CASH FOR INVESTING ACTIVITIES		
Acquisition of subsidiary, net of cash and cash equivalents acquired	(275)	-
Interest received	38	25
Proceed from disposal of property, plant and equipment	346	143
Purchase of property, plant and equipment	<u>(2,279)</u>	<u>(1,820)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(2,170)</u>	<u>(1,652)</u>
CASH FLOWS (FOR) / FROM FINANCING ACTIVITIES		
Net drawdown of other short-term bank borrowings	-	803
Drawdown of hire purchase	1,263	1,000
Repayment of other short-term bank borrowings	(341)	-
Repayment of hire purchase	(981)	(1,450)
Repayment of term loan	<u>(133)</u>	<u>(135)</u>
NET CASH (USED IN) / FROM FINANCING ACTIVITIES	<u>(192)</u>	<u>218</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(457)	472
EFFECT OF CHANGES IN EXCHANGE RATES	445	(514)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>10,554</u>	<u>8,305</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>10,542</u></u>	<u><u>8,263</u></u>

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

GE-SHEN CORPORATION BERHAD

Company No. 633814-X
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2012 – CONTINUED**

* Cash and cash equivalents included in the cash flow statements comprise of the following:

	RM'000	RM'000
Fixed deposits**	2,050	1,897
Cash and bank balances	8,968	6,366
Bank overdraft	(476)	-
	<u>10,542</u>	<u>8,263</u>

** included in the fixed deposits are RM1,216,000 (2011: RM1,102,000) which have been pledged to licensed banks for banking facilities made available to the Group.

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

GE-SHEN CORPORATION BERHAD

Company No. 633814-X

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2012

	<----- Non-Distributable ----->				Distributable Accumulated Losses	Total Attributable to Owners of the Company	Minority Interest	Total Equity
	Share Capital	Share Premium	Treasury Shares	Foreign Exchange Translation Reserves				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2012	40,000	5,593	(1,843)	132	(4,358)	39,524	(18)	39,506
Profit for the period	-	-	-	-	1,737	1,737	(38)	1,699
Other comprehensive income	-	-	-	445	-	445	-	445
Acquisition of a subsidiary	-	-	-	-	-	-	81	81
As at 30 June 2012	40,000	5,593	(1,843)	577	(2,621)	41,706	25	41,731
As at 1 January 2011	40,000	5,593	(1,843)	(191)	(5,122)	38,437	16	38,453
Loss for the period	-	-	-	-	82	82	40	122
Other comprehensive income	-	-	-	(143)	-	(143)	-	(143)
As at 30 June 2011	40,000	5,593	(1,843)	(334)	(5,040)	38,376	56	38,432

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

GE-SHEN CORPORATION BERHAD

Company No. 633814-X
(Incorporated in Malaysia)

A. EXPLANATORY NOTES IN ACCORDANCE WITH FRS 134

A1. Basis of Preparation

Statement of compliance

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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2011. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2011.

Significant accounting policies

- (a) The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the preparation of the financial statements of the Group for the financial year ended 31 December 2011.

Malaysian Financial Reporting Standards (MFRS)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2012. In presenting its first MFRS financial statements, the Group will be required to restate the financial position as at 1 January 2012 to amounts reflecting the application of MFRS Framework.

The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2012.

- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

FRS 9 Financial Instruments	1 January 2015
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 12 Disclosure of Interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 (Revised) Employee Benefits	1 January 2013
FRS 124 (Revised) Related Party Disclosures	1 January 2012
FRS 127 (2011) Separate Financial Statements	1 January 2013
Amendments to FRS 7: Disclosures – Transfers of Financial Assets	1 January 2012
Amendments to FRS 112: Recovery of Underlying Assets	1 January 2012

A2. Seasonality or Cyclicity Factors

The Group's interim operations were not significantly affected by any seasonal or cyclical factors.

GE-SHEN CORPORATION BERHAD

Company No. 633814-X
(Incorporated in Malaysia)

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

During the quarter, there were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A4. Change in Estimates

There were no changes in estimates of amounts reported in prior interim period that have a material effect on the results for the quarter.

A5. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

During the quarter, there were no issuance and repayment of debts and equity securities, share buy-backs, shares cancellation, shares held as treasury shares and resale of treasury shares for the quarter under review.

A6. Dividend Paid

There was no dividend paid during the quarter under review.

A7. Segmental Reporting**(a) By Business Segment**

Business segmental information has been presented as follows.

(b) By Geographical Segment**Current Quarter**

	Malaysia RM'000	Vietnam RM'000	Singapore RM'000	Elimination RM'000	Consolidated RM'000
As at 30 June 2012					
Revenue					
- Sales to external customer	19,680	3,733	19		23,432
- Inter-segment sales	2,444	-	-	(2,444)	-
Total revenue	<u>22,124</u>	<u>3,733</u>	<u>19</u>	<u>(2,444)</u>	<u>23,432</u>
Segment results	<u>1,506</u>	<u>188</u>	<u>(49)</u>	<u>(83)</u>	<u>1,562</u>
Finance costs					(129)
Profit before tax					<u>1,433</u>

GE-SHEN CORPORATION BERHADCompany No. 633814-X
(Incorporated in Malaysia)**A7. Segmental Reporting – continued****b) By Geographical Segment – continued****Preceding Quarter**

	Malaysia RM'000	Vietnam RM'000	Singapore RM'000	Elimination RM'000	Consolidated RM'000
As at 31 March 2012					
Revenue					
- Sales to external customer	19,292	3,785	-		23,077
- Inter-segment sales	1,714	-	-	(1,714)	-
Total revenue	21,006	3,785	-	(1,714)	23,077
Segment results	1,275	(39)	-	11	1,247
Finance costs					(127)
Profit before tax					1,120

Preceding Year Corresponding Quarter

	Malaysia RM'000	Vietnam RM'000	Singapore RM'000	Elimination RM'000	Consolidated RM'000
As at 30 June 2011					
Revenue					
- Sales to external customer	19,583	2,297	-	-	21,880
- Inter-segment sales	1,482	-	-	(1,482)	-
Total revenue	21,065	2,297	-	(1,482)	21,880
Segment results	1,797	(106)	-	24	1,715
Finance costs					(170)
Profit before tax					1,545

Cumulative Quarters

	Malaysia RM'000	Vietnam RM'000	Singapore RM'000	Elimination RM'000	Consolidated RM'000
As at 30 June 2012					
Revenue					
- Sales to external customer	38,972	7,518	19	-	46,509
- Inter-segment sales	4,158	-	-	(4,158)	-
Total revenue	43,130	7,518	19	(4,158)	46,509
Segment results	2,784	148	(49)	(74)	2,809
Finance costs					(256)
Profit before tax					2,553

GE-SHEN CORPORATION BERHADCompany No. 633814-X
(Incorporated in Malaysia)**A7. Segmental Reporting – continued****b) By Geographical Segment – continued****Cumulative Quarters - continued**

	Malaysia RM'000	Vietnam RM'000	Singapore RM'000	Elimination RM'000	Consolidated RM'000
As at 30 June 2011					
Revenue					
- Sales to external customer	37,911	4,671	-	-	42,582
- Inter-segment sales	2,446	-	-	(2,446)	-
Total revenue	40,357	4,671	-	(2,446)	42,582
Segment results	244	(90)	-	316	470
Finance costs					(300)
Profit before tax					170

(c) By Industry Segment**Current Quarter**

	Injection Moulding RM'000	Cosmetics and Skin Care RM'000	Elimination RM'000	Consolidated RM'000
As at 30 June 2012				
Revenue				
- Sales to external customer	22,110	1,322	-	23,432
- Inter-segment sales	2,439	5	(2,444)	-
Total revenue	24,549	1,327	(2,444)	23,432
Segment results	1,715	(70)	(83)	1,562
Finance costs				(129)
Profit before tax				1,433

Preceding Quarter

	Injection Moulding RM'000	Cosmetics and Skin Care RM'000	Elimination RM'000	Consolidated RM'000
As at 31 March 2012				
Revenue				
- Sales to external customer	22,073	1,004	-	23,077
- Inter-segment sales	1,714	-	(1,714)	-
Total revenue	23,787	1,004	(1,714)	23,077
Segment results	1,264	(28)	11	1,247
Finance costs				(127)
Profit before tax				1,120

GE-SHEN CORPORATION BERHADCompany No. 633814-X
(Incorporated in Malaysia)**A7. Segmental Reporting – continued****(c) By Industry Segment – continued****Preceding Year Corresponding Quarter**

	Injection Moulding	Cosmetics and Skin Care	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
As at 30 June 2011				
Revenue				
- Sales to external customer	20,627	1,253	-	21,880
- Inter-segment sales	1,482	-	(1,482)	-
Total revenue	<u>22,109</u>	<u>1,253</u>	<u>(1,482)</u>	<u>21,880</u>
Segment results	<u>1,397</u>	<u>294</u>	<u>24</u>	<u>1,715</u>
Finance costs				<u>(170)</u>
Profit before tax				<u><u>1,545</u></u>

Cumulative Quarters

	Injection Moulding	Cosmetics and Skin Care	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
As at 30 June 2012				
Revenue				
- Sales to external customer	44,183	2,326	-	46,509
- Inter-segment sales	4,153	5	(4,158)	-
Total revenue	<u>48,336</u>	<u>2,331</u>	<u>(4,158)</u>	<u>46,509</u>
Segment results	<u>2,981</u>	<u>(98)</u>	<u>(74)</u>	<u>2,809</u>
Finance costs				<u>(256)</u>
Profit before tax				<u><u>2,553</u></u>

	Injection Moulding	Cosmetics and Skin Care	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
As at 30 June 2011				
Revenue				
- Sales to external customer	40,412	2,170	-	42,582
- Inter-segment sales	2,656	-	(2,656)	-
Total revenue	<u>43,068</u>	<u>2,170</u>	<u>(2,656)</u>	<u>42,582</u>
Segment results	<u>(247)</u>	<u>401</u>	<u>316</u>	<u>470</u>
Finance costs				<u>(300)</u>
Profit before tax				<u><u>170</u></u>

GE-SHEN CORPORATION BERHAD

Company No. 633814-X
(Incorporated in Malaysia)

A8. Material Events Subsequent to the End of the Quarter Under Review

On 16 July 2012, the Group has acquired 100% of the equity interests of Global Seed Sdn. Bhd. for a cash consideration of RM10.00.

There was no material event subsequent to the end of the quarter that has not been reflected in the interim financial statements.

A9. Changes in the Composition of the Group

On 29 May 2012, the Group has acquired 70% of the equity interests of MednSpa (S) Pte. Ltd. through Ultraspa (M) Sdn. Bhd. for a cash consideration of SGD140,000.00.

The fair values of the identifiable assets and liabilities of MednSpa (S) Pte. Ltd. as at the date of acquisition were:-

	At Date of Acquisition	
	Carrying Amount	Fair Value Recognised
	RM'000	RM'000
Property, plant, and equipment	309	309
Trade receivables	20	20
Other receivables, deposits, and prepayments	28	28
Inventories	18	18
Cash, and cash equivalents	71	71
Trade payables	(110)	(110)
Other payables, and accruals	(60)	(60)
Net identifiable assets, and liabilities	<u>276</u>	<u>276</u>
Less: Minority interests		(80)
Add: Goodwill on acquisition		150
Total purchase consideration		<u>346</u>
Less: Cash, and cash equivalents of subsidiary acquired		(71)
Net cash outflow for acquisition of subsidiary		<u>275</u>

The acquired subsidiary has contributed the following results to the Group:-

	Quarter 2, 2012
	RM'000
Revenue	19
Loss after taxation	<u>(49)</u>

A10. Changes in Contingent Liabilities or Contingent Assets

There were no changes in the contingent liabilities or contingent assets of the Group during the quarter.

A11. Comparative Figures

Certain comparative figures have been reclassified to conform to current period's presentation. The reclassification does not have material impact to the financial results of the Group.

GE-SHEN CORPORATION BERHAD

Company No. 633814-X
(Incorporated in Malaysia)

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of Group's Results for the Quarter Ended 30 June 2012

For the current quarter under review, the Group recorded revenue of RM23.4 million and profit before tax of RM1.4 million, compared to revenue of RM21.9 million and profit before tax of RM1.5 million for the corresponding quarter in the previous financial year.

The Malaysian operations recorded lower profit in the quarter due to the loss incurred by the cosmetic and skin care segment. The loss was due to higher operational costs. The performance of the Group's overseas operations have improved reporting a profit arising from lower production cost and better pricing.

B2. Variation of Results Against Preceding Quarter

The Group reported a profit before tax of RM1.4 million compared to the preceding quarter's profit before tax of RM1.1 million.

Revenue was at about the same level as preceding quarter with the tooling and plastic segment recorded higher profits due to better margin and lower costs.

The financial performance of the operations in Vietnam showed improvement over the previous quarter. The strengthening of the US Dollars resulted in exchange translation gain of its assets and liabilities to Ringgit Malaysia.

Higher sales registered by the cosmetic and skin care segment were mainly from overseas markets. The segment recorded a loss due to higher operational expenses.

B3. Prospects of the Group

The Group's performance in the current year will continue to be affected by the uncertainties in the world economies.

Against this backdrop and the recent introduction of minimum wage, the Group remains vigilante with its cost containment and production efficiency improvement exercises.

B4. Profit Forecast

The Group did not publish any profit forecast during the quarter.

B5. Not Applicable

GE-SHEN CORPORATION BERHAD

Company No. 633814-X
(Incorporated in Malaysia)

B6. Tax Expense

Tax expense comprises the following:-

	Individual quarter ended		Cumulative quarter ended	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:-				
Income tax	(306)	(47)	(839)	(47)
Deferred tax	-	-	-	-
	<u>(306)</u>	<u>(47)</u>	<u>(839)</u>	<u>(47)</u>
In respect of the prior year:				
Income tax	(15)	(1)	(15)	(1)
Deferred tax	-	-	-	-
Tax expense	<u>(321)</u>	<u>(48)</u>	<u>(854)</u>	<u>(48)</u>

For its Vietnam's subsidiary, the company is exempted from corporate income tax for 4 (four) years commencing from the first year the Vietnam entity having taxable income and shall be granted a 50% (fifty percent) reduction of corporate income tax for period of 7 (seven) subsequent years.

B7. Sale of Unquoted Investments, or Properties

There was no disposal of unquoted investments, or properties during the quarter.

B8. Purchase or Disposal of Quoted and Marketable Securities

There was no purchase or disposal of quoted and marketable securities during the quarter.

B9. Corporate Proposals

There were no corporate proposals during the quarter.

B10. Borrowings

The Group's borrowings, all are repayable in Ringgit Malaysia and secured, as of the end of the quarter are as follows:-

	30 June 2012	31 December 2011
	RM'000	RM'000
Short Term Borrowings		
Bankers' Acceptance	5,160	5,501
Term Loans	138	280
Hire Purchase Payable	1,366	1,396
	<u>6,664</u>	<u>7,177</u>

GE-SHEN CORPORATION BERHAD

Company No. 633814-X
(Incorporated in Malaysia)

B10. Borrowings – continued

	30 June 2012 RM'000	31 December 2011 RM'000
Long Term Borrowings		
Term Loans	358	349
Hire Purchase Payable	1,571	1,259
	<u>1,929</u>	<u>1,608</u>
	<u>8,593</u>	<u>8,785</u>

B11. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

B12. Material Litigation

The directors do not have any knowledge of any proceedings pending or threatened against the Group as the date of this report.

B13. Dividends

There were no dividends declared or proposed by the company for the quarter ended 30 June 2012.

B14. Profit per Share (PPS)**Basic profit per share**

	Individual quarter ended		Cumulative quarter ended	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
Profit / (Loss) attributable to ordinary shareholders (RM'000)	1,148	1,467	1,737	82
Weighted average number of shares in issue (RM'000)#	76,908	76,908	76,908	76,908
Basic PPS (Sen)	<u>1.49</u>	1.91	<u>2.26</u>	0.11

Note:

Upon deducting 3,092,000 treasury shares held by the company as at end of the quarter under review.

Diluted PPS

Diluted PPS is equal to the basic PPS as there were no potential ordinary shares outstanding in both the previous and current financial years.

B15. Audit Report

The auditors' report of the company for the financial year ended 31 December 2011 was not subject to any qualification.

GE-SHEN CORPORATION BERHADCompany No. 633814-X
(Incorporated in Malaysia)**B16. Notes to the Statement of Comprehensive Income**

	Individual quarter ended		Cumulative quarter ended	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after crediting:-				
Interest income	19	23	38	25
Gain on disposal of property, plant and equipment	85	75	170	76
Gain on foreign exchange				
- Realised	171	10	10	13
- Unrealised	484	10	356	-
and charging:-				
Interest expense	129	170	256	300
Depreciation of property, plant and equipment	1,376	1,425	2,680	2,842
Allowance for impairment losses on receivables	-	-	-	-
Allowance for impairment losses on inventories	242	800	242	800
Goodwill written off	150	-	150	-
Loss on foreign exchange				
- Realised	-	230	117	419
- Unrealised	-	-	-	-

Save as disclosed in the above, there were no gain/(loss) on disposal of quoted/unquoted investments, exceptional items, and other items required to be disclosed under the additional disclosure requirement for public listed companies that are listed on Main or Ace Markets of the Bursa Malaysia Securities Berhad for the current quarter and period ended 30 June 2012.

B17. Realised/Unrealised Losses

	30 June 2012	31 December 2011
	RM'000	RM'000
Total realised losses of Ge-Shen Corporation Berhad and its subsidiaries	(1,113)	(2,504)
Total unrealised (losses)/profits of Ge-Shen Corporation Berhad and its subsidiaries		
- in respect of deferred tax recognised in the income statement	(1,864)	(1,864)
- in respect of unrealised (loss)/gain on foreign exchange	356	221
- other unrealised losses	-	(211)
Total Realised/Unrealised Losses	<u>(2,621)</u>	<u>(4,358)</u>