

A-Rank Berhad
(Incorporated in Malaysia)

Condensed Consolidated Statement Of Financial Position
As at 30 April 2013
(The figures have not been audited)

	As at 30-Apr-13 RM'000	(Restated) As at 31-Jul-12 RM'000	(Restated) As at 01-Aug-11 RM'000
ASSETS			
Non-current asset			
Property, plant and equipment	72,362	63,812	66,048
Goodwill on acquisition	4,949	-	-
	<u>77,311</u>	<u>63,812</u>	<u>66,048</u>
Current assets			
Inventories	27,188	27,113	28,232
Trade and other receivables	41,373	33,564	32,313
Tax recoverable	180	180	96
Short term deposits with a licenced bank	200	-	1,346
Cash and cash equivalents	5,942	4,416	1,086
	<u>74,883</u>	<u>65,273</u>	<u>63,073</u>
TOTAL ASSETS	<u>152,194</u>	<u>129,085</u>	<u>129,121</u>
EQUITY AND LIABILITIES			
Share capital	60,000	40,000	40,000
Share premium	-	716	716
Retained earnings	12,905	29,116	23,685
Total equity attributable to equity holders of the Company	<u>72,905</u>	<u>69,832</u>	<u>64,401</u>
Minority interest	3,971	-	-
Total equity	<u>76,876</u>	<u>69,832</u>	<u>64,401</u>
Non-current liability			
Deferred tax liabilities	7,081	6,501	5,794
	<u>7,081</u>	<u>6,501</u>	<u>5,794</u>
Current liabilities			
Trade and other payables	16,637	9,720	10,472
Derivative financial liabilities	116	428	72
Bank borrowings	51,484	42,604	48,382
	<u>68,237</u>	<u>52,752</u>	<u>58,926</u>
Total liabilities	<u>75,318</u>	<u>59,253</u>	<u>64,720</u>
TOTAL EQUITY AND LIABILITIES	<u>152,194</u>	<u>129,085</u>	<u>129,121</u>
	RM	RM	RM
Net assets per share based on 120,000,000 ordinary shares of RM0.50 each	<u>0.61</u>	<u>0.58</u> *	<u>0.54</u> *

* The comparative figures were restated as if the Bonus Issue had taken place as at the earliest date presented.

These condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 July 2012.

A-Rank Berhad
(Incorporated in Malaysia)

Condensed Consolidated Statement Of Comprehensive Income
For The Period Ended 30 April 2013
(The figures have not been audited)

	Current quarter ended 30-Apr-13 RM'000	Comparative quarter ended 30-Apr-12 RM'000	9 months cumulative 30-Apr-13 RM'000	9 months cumulative 30-Apr-12 RM'000
Revenue	108,422	99,606	303,744	296,705
Cost of sales	(104,169)	(96,037)	(292,777)	(286,013)
Gross profit	<u>4,253</u>	<u>3,569</u>	<u>10,967</u>	<u>10,692</u>
Other operating income	26	5	356	15
Selling and distribution expenses	(165)	(93)	(339)	(280)
Administrative expenses	(1,691)	(1,067)	(4,070)	(3,281)
Profit from operations	<u>2,423</u>	<u>2,414</u>	<u>6,914</u>	<u>7,146</u>
Finance costs	(306)	(404)	(934)	(1,345)
Profit before taxation	<u>2,117</u>	<u>2,010</u>	<u>5,980</u>	<u>5,801</u>
Taxation	(152)	(150)	(586)	(523)
Net profit for the period	<u>1,965</u>	<u>1,860</u>	<u>5,394</u>	<u>5,278</u>
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u><u>1,965</u></u>	<u><u>1,860</u></u>	<u><u>5,394</u></u>	<u><u>5,278</u></u>
Profit attributable to:				
Equity holders of the Parent	2,040	1,860	5,473	5,278
Non-controlling interest	(75)	-	(79)	-
	<u><u>1,965</u></u>	<u><u>1,860</u></u>	<u><u>5,394</u></u>	<u><u>5,278</u></u>
	Sen	Sen	Sen	Sen
Net earnings per share attributable to ordinary shareholders :				
- Basic	<u><u>1.70</u></u>	<u><u>1.55</u></u> *	<u><u>4.56</u></u> *	<u><u>4.40</u></u> *
- Diluted	<u><u>N/A</u></u>	<u><u>N/A</u></u>	<u><u>N/A</u></u>	<u><u>N/A</u></u>

* The comparative figures were restated as if the Bonus Issue had taken place as at the earliest date presented.

These condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2012.

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Condensed Consolidated Statement Of Changes In Equity
For The Period Ended 30 April 2013
(The figures have not been audited)

	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
Balance as at 1 Aug 2011						
As previously reported	40,000	716	20,112	60,828	-	60,828
Effect of transition to MFRS 1	-	-	3,573	3,573	-	3,573
As restated	<u>40,000</u>	<u>716</u>	<u>23,685</u>	<u>64,401</u>	<u>-</u>	<u>64,401</u>
Total comprehensive income	-	-	5,278	5,278	-	5,278
Dividend paid	-	-	(2,400)	(2,400)	-	(2,400)
Balance as at 30 Apr 2012	<u>40,000</u>	<u>716</u>	<u>26,563</u>	<u>67,279</u>	<u>-</u>	<u>67,279</u>
Balance as at 1 Aug 2012						
As previously reported	40,000	716	24,918	65,634	-	65,634
Effect of transition to MFRS 1	-	-	4,198	4,198	-	4,198
As restated	<u>40,000</u>	<u>716</u>	<u>29,116</u>	<u>69,832</u>	<u>-</u>	<u>69,832</u>
Acquisition of a subsidiary	-	-	-	-	4,050	4,050
Issuance of shares in respect of Bonus issue	20,000	(716)	(19,284)	-	-	-
Total comprehensive income	-	-	5,473	5,473	(79)	5,394
Dividend paid	-	-	(2,400)	(2,400)	-	(2,400)
Balance as at 30 Apr 2013	<u>60,000</u>	<u>-</u>	<u>12,905</u>	<u>72,905</u>	<u>3,971</u>	<u>76,876</u>

These condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 July 2012.

A-Rank Berhad
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Condensed Consolidated Statement Of Cash Flow
For The Period Ended 30 April 2013
(The figures have not been audited)

	9 months period ended 30-Apr-13 RM'000	9 months period ended 30-Apr-12 RM'000
Cash flows from operating activities		
Profit before tax	5,980	5,801
Adjustments for:		
Interest income	(23)	(9)
Interest expenses	934	1,345
Depreciation of property, plant and equipment	3,461	3,157
Gain on disposal of property, plant and equipment	(80)	-
Fair value adjustments on derivative liabilities	(312)	(1)
Operating profit before working capital changes	<u>9,960</u>	<u>10,293</u>
Changes in working capital		
Inventories	1,968	1,272
Trade and other receivables	(6,643)	(10,532)
Trade and other payables	<u>1,358</u>	<u>(3,852)</u>
Cash generated from operations	<u>6,643</u>	<u>(2,819)</u>
Interest paid	(4)	(25)
Income tax paid	<u>(5)</u>	<u>(3)</u>
Net cash generated from/(used in) operating activities	<u><u>6,634</u></u>	<u><u>(2,847)</u></u>
Cash flows from investing activities		
Interest received	23	9
Acquisition of business in a subsidiary	(9,343)	-
Purchase of property, plant and equipment	(5,268)	(1,366)
Proceed from disposal of property, plant and equipment	80	-
Net cash used in investing activities	<u><u>(14,508)</u></u>	<u><u>(1,357)</u></u>
Cash flows from financing activities		
Issuance of share capital to minority interest by a subsidiary company	4,050	-
Net movements in bank borrowings	8,880	7,187
Dividend paid	(2,400)	(2,400)
Interest paid	<u>(930)</u>	<u>(1,320)</u>
Net cash generated from financing activities	<u><u>9,600</u></u>	<u><u>3,467</u></u>
Net increase/(decrease) in cash and cash equivalents	1,726	(737)
Cash and cash equivalents at beginning of financial period	4,416	2,015
Cash and cash equivalents at end of financial period	<u><u>6,142</u></u>	<u><u>1,278</u></u>
Cash and cash equivalents at end of financial period comprise of :		
Cash and cash equivalents	5,942	1,278
Short term deposits with a licenced bank	<u>200</u>	<u>-</u>
	<u><u>6,142</u></u>	<u><u>1,278</u></u>

These condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 July 2012.

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**Notes To The Financial Statements
For The Period Ended 30 April 2013**

A Explanatory Notes: FRS 134

A 1 Basis of preparation

The condensed financial statements are unaudited and have been prepared in accordance with FRS 134, "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The condensed financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2012. The explanatory notes to these financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 July 2012.

These condensed consolidated interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 July 2013. MFRS1 *First-Time Adoption of Malaysian Financial Reporting Standards* ("MFRS 1") has been applied.

In preparing its opening MFRS Statement of Financial Position as at 1 August 2011 (which is also the date of transition), the Group has adjusted the amounts previously reported in financial statements prepared in accordance with FRS. An explanation of how the transition from FRS to MFRS has affected the Group's financial position, financial performance and cash flows is set out in Note A2 below. The note includes the reconciliation of equity for comparative periods and at the date of transition under MFRS. The transition from FRS to MFRS has not resulted in a material impact on the condensed consolidated statement of comprehensive income and condensed consolidated statement of cash flows.

A 2 Changes in accounting policies

The audited financial statements of the Group for the year ended 31 July 2012 were prepared in accordance with FRS except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 July 2012 except as discussed below:

(a) Business combinations

MFRS 1 provides the option to apply MFRS 3 Business Combinations prospectively from the date of transition, or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

Acquisition before date of transition

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition:

- (i) The classification of former business combination under FRS is maintained;
- (ii) There is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
- (iii) The carrying amount of goodwill recognised under FRS is not adjusted.

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**Notes To The Financial Statements
For The Period Ended 30 April 2013**

A Explanatory Notes: FRS 134

A 2 Changes in accounting policies (Cont'd)

(b) Property, plant and equipment

The Group has previously recorded its property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses. Freehold land has unlimited useful life and is not depreciated.

Upon transition to MFRS, the Group has elected to measure its property, plant and equipment (freehold land) by using cost model under MFRS 116 *Property, Plant and Equipment*. At the date of transition to MFRS, the Group elected to apply the "deemed cost" transition exemption and use the fair value at the date of transition as deemed cost for the freehold land of the Group.

The impact arising from the change in Consolidated Statement of Financial Position is summarised as follows:

	FRS RM'000	Effect of transition to MFRSs RM'000	MFRS RM'000
(i) <u>As at 1 August 2011</u>			
Property, plant and equipment	62,475	3,573	66,048
Retained earnings	20,112	3,573	23,685
(ii) <u>As at 30 April 2012</u>			
Property, plant and equipment	60,684	3,573	64,257
Retained earnings	22,990	3,573	26,563
(ii) <u>As at 31 July 2012</u>			
Property, plant and equipment	59,614	4,198	63,812
Retained earnings	24,918	4,198	29,116

(c) Estimates

The estimates as at 1 August 2011 and 31 July 2012 under MFRS were consistent with those made for the same dates in accordance with FRS. The estimates used by the Group to present these amounts in accordance with MFRS reflect conditions as at 1 August 2011 the date of transition to MFRS and as at 31 July 2012.

A 3 Qualification of financial statements

There was no qualification in the audited consolidated financial statements for the financial year ended 31 July 2012.

A 4 Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

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**Notes To The Financial Statements
For The Period Ended 30 April 2013**

A Explanatory Notes: FRS 134

A 5 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter and financial period to-date.

A 6 Change in estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter and financial period to-date.

A 7 Debt and equity securities

There were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities for the current quarter and financial period to-date.

A 8 Dividend paid

No dividend has been paid by the Company during the current quarter.

A 9 Segmental information

The Group and its subsidiary are principally engaged in investment holding and manufacturing and marketing of aluminium billets respectively.

The Group has arrived at four (4) reportable segments that are organised and managed separately according to geographical areas, which requires different business and marketing strategies. The reportable segments are Malaysia, South East Asia other than Malaysia, South Asia and Africa. Other operating segments that do not constitute reportable segments include countries such as Netherlands and Uruguay.

Cumulative 30-Apr-13	Malaysia RM'000	South East Asia other than Malaysia RM'000	South Asia RM'000	Africa RM'000	Others RM'000	Total RM'000
Revenue from external customers	182,037	80,574	23,761	16,143	1,229	303,744
Profit from operations						6,914
Finance costs						(934)
Profit before tax						5,980
Taxation						(586)
Profit after tax						5,394

A 10 Valuation of property, plant and equipment

The Group did not revalue its property, plant and equipment during the current quarter under review and financial period to-date.

A 11 Material events subsequent to balance sheets date

Save as disclosed under Note B 9 below, there were no material events subsequent to the end of the current quarter that has not been reflected in the financial statements for the financial period to-date.

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Notes To The Financial Statements
For The Period Ended 30 April 2013

A Explanatory Notes: FRS 134

A 12 Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial period to-date save for the Company's announcement on 4 January 2013 that A-Rank Berhad has entered into a Share Subscription Agreement together with Apresi Sdn Bhd and Mr Tan Tiam Chai for the proposed subscription by the Company of 4,950,000 ordinary shares of RM1.00 each at par representing 55% equity interest in Honglee Group (M) Sdn. Bhd. ("HONGLEE") for a total cash consideration of RM4.950 million. Please refer to Note B 9(b) below for details of the shares subscription pursuant to the Share Subscription Agreement.

On 28 February 2013 (the "acquisition date"), pursuant to the Business SPA and Property SPA, HONGLEE acquired certain property, assets and liabilities of Hong Lee Aluminium Sdn Bhd ("HLA"), a company incorporated in Malaysia which is engaged in business of manufacturing and installation of all types of aluminium and glass fittings and other related activities for a total cash consideration of RM9.343 million.

- a) The fair value of the identifiable property, assets and liabilities of HLA as at the acquisition date vide HONGLEE are as follows:

	RM'000
Property, plant and equipment	6,744
Inventories	2,043
Trade and other receivables	1,166
Total identifiable assets	<u>9,953</u>
Trade and other payables	(5,559)
Contingent liabilities	-
Total identifiable net liabilities	<u>(5,559)</u>
Total identifiable net assets	4,394
Goodwill arising from acquisition	4,949
Total consideration transferred/Cash paid	<u>9,343</u>

- b) The consideration transferred for the acquisition of identifiable property, assets and liabilities of HLA vide HONGLEE are as follows:

	RM'000
Total consideration transferred/Cash paid by HONGLEE	<u>9,343</u>

Transaction costs related to the acquisition of RM0.091 million have been recognised in HONGLEE'S profit or loss as administrative expenses.

- c) The effects of the acquisition of identifiable property, assets and liabilities of HLA on HONGLEE'S cash flows are as follows:

	RM'000
Total consideration settled in cash	9,343
Less: Cash and cash equivalents acquired	-
Net cash outflow on acquisition	<u>9,343</u>

HONGLEE has as from the acquisition date contributed RM0.955 million of revenue and reported a loss of RM0.175 million to the Group's profit for the financial period ended 30 April 2013.

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Notes To The Financial Statements
For The Period Ended 30 April 2013

A Explanatory Notes: FRS 134

A 13 Contingent liabilities

At the end of the current quarter, there are no material contingent liabilities which, upon becoming enforceable, may have a material impact on the financial position of the Group except for the following:

	As at 30-Apr-13 RM'000	As at 31-Jul-12 RM'000
Corporate guarantees given to financial institutions for banking facilities granted to the subsidiaries	<u>51,484</u>	<u>42,604</u>

The Company has provided corporate guarantees for banking facilities granted to subsidiaries of up to RM124.1 million. (31 July 2012: RM119.2 million).

A 14 Commitments

a) Capital commitment

At the end of the current quarter, capital commitments of the Group are as follows:

	As at 30-Apr-13 RM'000	As at 31-Jul-12 RM'000
Capital expenditures in respect of purchase of property, plant and equipment:		
- Authorised and contracted for	-	3,963
- Authorised but not contracted for	-	1,090
	<u>-</u>	<u>5,053</u>

b) Operating lease commitment

The Group had entered into non-cancellable lease agreements for machinery, resulting in future rental commitments which can, subject to certain terms in the agreements be revised annually based on prevailing market rate. The Group has aggregate future minimum lease commitment as at the date of consolidated statement of financial position as follows:

	As at 30-Apr-13 RM'000	As at 31-Jul-12 RM'000
Future minimum lease payments		
- Not later than one year	830	830
- Later than one year and not later than five years	799	1,214
	<u>1,629</u>	<u>2,044</u>

A 15 Acquisition of property, plant and equipment

There were no material acquisition or disposal of items of property, plant and equipment during the current quarter under review and financial period to-date.

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Notes To The Financial Statements
For The Period Ended 30 April 2013

B Additional information required by the Bursa Securities' Listing Requirements

B 1 Review of performance

	Quarter ended 30-Apr-13 RM'000	Quarter ended 30-Apr-12 RM'000	Increase/(Decrease) RM'000	%
Revenue				
- South East Asia other than Malaysia	32,081	28,712	3,369	11.7
- South Asia	10,146	8,804	1,342	15.2
- Africa	7,449	5,438	2,011	37.0
- Others	886	559	327	58.5
	<u>50,562</u>	<u>43,513</u>	<u>7,049</u>	<u>16.2</u>
- Malaysia	57,860	56,093	1,767	3.2
Total revenue	<u>108,422</u>	<u>99,606</u>	<u>8,816</u>	<u>8.9</u>
Profit before taxation	2,117	2,010	107	5.3
Profit after taxation	1,965	1,860	105	5.6

The Group's revenue increased by 8.9% to RM108.4 million for the quarter under review compared to RM99.6 million for the corresponding quarter last year. The increase in revenue was contributed by higher business volume although average selling prices were lower as a result of the drop in underlying raw material costs.

The Group registered an increase of 5.3% in profit before taxation to RM2.1 million for the current quarter compared to that of the corresponding quarter last year due mainly to a higher business volume.

The Group also achieved an increase in profit after taxation of 5.6% for the quarter under review in line with the higher profit before taxation.

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Notes To The Financial Statements
For The Period Ended 30 April 2013

B Additional information required by the Bursa Securities' Listing Requirements

B 2 Variance of results against preceding quarter

	Quarter ended 30-Apr-13 RM'000	Quarter ended 31-Jan-13 RM'000	Increase/(Decrease) RM'000	%
Revenue				
- South East Asia other than Malaysia	32,081	28,182	3,899	13.8
- South Asia	10,146	7,389	2,757	37.3
- Africa	7,449	5,723	1,726	30.2
- Others	886	-	886	-
	<u>50,562</u>	<u>41,294</u>	<u>9,268</u>	<u>22.4</u>
- Malaysia	57,860	64,697	(6,837)	(10.6)
Total revenue	<u>108,422</u>	<u>105,991</u>	<u>2,431</u>	<u>2.3</u>
Profit before taxation	2,117	2,006	111	5.5
Profit after taxation	1,965	1,856	109	5.9

The Group's revenue increased slightly by 2.3% registered for the quarter under review compared to RM106.0 million registered for the preceding quarter despite overall lower business volume, due mainly to an increase in sales of aluminium billets whereas reduced tolling services were recorded.

The Group registered an increase in profit before taxation of 5.5% for the current quarter under review compared to RM2.0 million achieved for the preceding quarter due mainly to better margins.

The Group reported an increase in profit after taxation to RM2.0 million for the quarter under review from a profit after tax of RM1.9 million for the preceding quarter following the increase in profit before taxation as well as a comparatively lower provision for deferred tax liability for the quarter under review.

B 3 Prospects

The global economic environment remains uncertain and challenging. Growth in advanced economies was uneven whilst China and India have experienced slower growth which has had an adverse impact on the Group's export opportunities.

Despite the weak external environment, the Malaysian economy is expected to continue to remain on a growth path in 2013 as a result of the continued resilience of domestic demand supported by private and public sectors' investments under the Tenth Malaysia Plan and Economic Transformation Program. This augurs well for the Group as the building and construction sector is expected to be the prime beneficiary of these investments in which the Group is part of the supply chain.

Barring unforeseen circumstances, the Board is optimistic that the Group will remain profitable for the forthcoming quarter.

B 4 Variance of actual and profit estimate

Not applicable as no profit forecast was published.

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Notes To The Financial Statements
For The Period Ended 30 April 2013

B Additional information required by the Bursa Securities' Listing Requirements

B 5 Notes to the Condensed Consolidated Statement Of Comprehensive Income

	Current quarter ended 30-Apr-13 RM'000	Comparative quarter ended 30-Apr-12 RM'000	9 months cumulative 30-Apr-13 RM'000	9 months cumulative 30-Apr-12 RM'000
Profit before tax is arrived at after charging/(crediting):				
Interest income	(12)	(5)	(23)	(9)
Interest expenses	306	404	934	1,345
Depreciation of property, plant and equipment	1,255	1,053	3,461	3,157
Gain on disposal of property, plant and equipment	-	-	(80)	-
(Gain)/loss on foreign exchange	(13)	45	(240)	118
Fair value adjustments on derivative liabilities	89	10	(312)	(1)
	<u>1,525</u>	<u>1,472</u>	<u>3,022</u>	<u>2,660</u>

Other than the above, there were no allowance for impairment or write off of assets, inventories and receivables for the current quarter and financial period to-date as well as in the comparative corresponding periods last year.

B 6 Taxation

	Current quarter ended 30-Apr-13 RM'000	Comparative quarter ended 30-Apr-12 RM'000	9 months cumulative 30-Apr-13 RM'000	9 months cumulative 30-Apr-12 RM'000
Current income tax	2	-	6	3
Deferred tax	150	150	580	520
	<u>152</u>	<u>150</u>	<u>586</u>	<u>523</u>

The effective tax rate of the Group of 7.2% and 9.8% for the current quarter and financial period ended 30 April 2013 are lower than the statutory tax rate due principally to the availability of reinvestment allowances which arose from the subsidiary's capital expenditures in the current quarter and previous financial years as well as special export incentive and unabsorbed tax losses brought forward.

B 7 Unquoted investments and/or properties

Save as disclosed in Note B 9 below, there were no purchase or disposal of unquoted investment and/or properties during the quarter under review and financial period to-date.

B 8 Quoted and marketable investments

There were no purchase or disposal of quoted and marketable securities during the quarter under review and financial period to-date.

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**Notes To The Financial Statements
For The Period Ended 30 April 2013**

B Additional information required by the Bursa Securities' Listing Requirements

B 9 Status of corporate proposals

a) Bonus Issue

The Company has on 25 October 2012 announced to Bursa Malaysia Securities Berhad ("Bursa Securities") that it proposes to undertake a bonus issue of 40,000,000 new ordinary shares of RM0.50 each ("Bonus Shares") in the Company, to be credited as fully paid-up at par on the basis of one (1) new ordinary share of RM0.50 each for every two (2) existing ordinary shares held by the entitled shareholders of the Company ("Proposed Bonus Issue"). On 14 November 2012, the Company announced that Bursa Securities has vide its letter dated on the same date approved the Additional Listing Application in respect of the Proposed Bonus Issue subject to the conditions therein. The Proposed Bonus Issue was approved by the shareholders at the Extraordinary General Meeting held on 20 December 2012.

On 14 January 2013, the Company announced to Bursa Securities that the Proposed Bonus Issue has been completed following the listing and quotation of 40,000,000 Bonus Shares on the Main Market of Bursa Securities.

b) Subscription of shares In Honglee Group (M) Sdn. Bhd. ("HONGLEE")

On 4 January 2013, the Company announced that the Company has entered into a Share Subscription Agreement ("Subscription Agreement") together with Apresi Sdn Bhd and Mr Tan Tiam Chai for the proposed subscription by A-Rank Berhad of 4,950,000 ordinary shares of RM1.00 each at par representing 55% equity interest in HONGLEE for a total cash consideration of RM4,950,000 ("Proposed Subscription").

Concurrent with the signing of the Subscription Agreement, HONGLEE has entered into a Sale and Purchase Agreement ("Business SPA") with Hong Lee Aluminium Sdn Bhd (the "Vendor") for the acquisition from the Vendor of the existing assets and liabilities representing the business of the Vendor including goodwill and trademarks for a total cash consideration of RM4,941,328.42.

HONGLEE has also concurrently entered into a separate Sale and Purchase Agreement ("Property SPA") with the Vendor for the acquisition from the Vendor for the two (2) pieces of freehold land together with a single storey semi-detached workshop with mezzanine floor erected thereon under Geran 242247, Lot No. 51532 and Geran 242246, Lot No. 51531, Mukim Plentong, Daerah Johor Bahru respectively bearing postal address No. 3, Jalan Seroja 38, Taman Johor Jaya, 81100 Johor Bahru, Johor with total area of 2,766 square metres for a total cash consideration of RM4,000,000.

On 7 January 2013, pursuant to the Subscription Agreement, HONGLEE increased its issued and paid up share capital from RM2 to RM1,000,000 by way of issuance of 999,998 new ordinary shares of RM1.00 each at par which was taken up by the Company and Apresi for a total cash consideration of RM549,998 and RM450,000 respectively. The Company has also, pursuant to the Subscription Agreement, simultaneously acquired the two (2) ordinary shares of RM1.00 each from the existing shareholders of HONGLEE for a total consideration of RM2.00. Consequently, HONGLEE becomes a 55% equity interest owned subsidiary of the Company.

On 4 April 2013, pursuant to the Share Subscription Agreement, the issued and paid-up share capital of HONGLEE has been increased from RM1,000,000 to RM9,000,000 through the allotment and issuance of 8,000,000 new HONGLEE ordinary shares of RM1.00 each at par for a total cash consideration of RM8,000,000.

Concurrent with the completion of the Share Subscription Agreement, HONGLEE has also completed the Business SPA and Property SPA.

Save as above, there are no other corporate proposal announced which is pending completion.

A-Rank Berhad
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Notes To The Financial Statements
For The Period Ended 30 April 2013

B Additional information required by the Bursa Securities' Listing Requirements

B 10 Borrowings

	As at 30-Apr-13 RM'000	As at 31-Jul-12 RM'000
Current liabilities - unsecured		
Bankers' acceptances	24,487	11,442
Foreign currency loan (Currency denominated in US Dollar) <i>(Approximately USD8.9 million. (31 July 2012: USD9.8 million))</i>	26,997	31,162
	<u>51,484</u>	<u>42,604</u>

All borrowings are denominated in Malaysia Ringgit except as indicated above.

B 11 Changes in material litigation

The Group does not have any material litigation as at the date of this announcement.

B 12 Dividend

The Board of Directors has not proposed any dividend for this quarter ended 30 April 2013.

B 13 Realised and Unrealised Profit or Losses

The retained earnings as at the end of the reporting period may be analysed in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ('MIA Guidance') and the directive of Bursa Malaysia Securities Berhad.

	As at 30-Apr-13 RM'000	As at 31-Jul-12 RM'000
Total retained earnings of the Group		
- Realised profit	36,767	52,398
- Unrealised loss	(2,883)	(2,303)
	<u>33,884</u>	<u>50,095</u>
Less: Consolidation adjustments	<u>(20,979)</u>	<u>(20,979)</u>
	<u>12,905</u>	<u>29,116</u>

A-Rank Berhad
(Incorporated in Malaysia)

Notes To The Financial Statements
For The Period Ended 30 April 2013

B Additional information required by the Bursa Securities' Listing Requirements

B 14 Earnings per ordinary share

(a) Basic earnings per ordinary share

The basic earnings per ordinary share for the current quarter under review and cumulative period are computed as follows:

	Current quarter ended 30-Apr-13	Cumulative to-date ended 30-Apr-13
Profit attributable to equity holders of the parent (RM'000)	2,040	5,473
Total share capital in issue during the current quarter/cumulative period (No. of ordinary shares of RM 0.50 each) ('000)	120,000	120,000
Basic earnings per share (sen)	1.70	4.56

(b) Diluted earnings per share

There are no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the quarter under review and financial period to-date.

By Order of the Board

Ng Bee Lian
Company Secretary
26 June 2013