

**IRM GROUP BERHAD (628000-T)**  
(Incorporated in Malaysia)

**Quarterly report on consolidated results for the 2ND QUARTER ended 30 JUNE 2013**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
(The figure has not been audited)

	<b>2ND QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>CURRENT YEAR</b>	<b>PRECEDING YEAR</b>	<b>CURRENT YEAR</b>	<b>PRECEDING YEAR</b>
	<b>Unaudited 30-Jun-13 RM '000</b>	<b>Reclassified/Restated Unaudited 30-Jun-12 RM '000</b>	<b>Unaudited 30-Jun-13 RM '000</b>	<b>Reclassified/Restated Unaudited 30-Jun-12 RM '000</b>
Revenue	848	31,382	7,378	68,429
Cost of Sales ##	(2,415)	(32,367)	(9,826)	(68,304)
Gross Profit/(Loss)	<u>(1,567)</u>	<u>(985)</u>	<u>(2,448)</u>	<u>125</u>
Other Income (include investment income)	(702)	-	(702)	-
Other Expenses		-		-
Other Operating Income / (Loss)	(53)	437	(241)	955
Depreciation Expense ##	(751)	(763)	(1,540)	(1,524)
Operating Expenses	(1,402)	(1,519)	(2,904)	(2,870)
Profit/(Loss) from Operations	<u>(4,475)</u>	<u>(2,830)</u>	<u>(7,835)</u>	<u>(3,314)</u>
Finance Costs	(1,386)	(678)	(2,058)	(1,249)
Interest Income	-	-	-	-
Profit/(Loss) before Taxation	<u>(5,861)</u>	<u>(3,508)</u>	<u>(9,893)</u>	<u>(4,563)</u>
Taxation	-	687	-	687
Profit/(Loss) after Taxation from Continueing Operations	<u>(5,861)</u>	<u>(2,821)</u>	<u>(9,893)</u>	<u>(3,876)</u>
(Loss)/Profit after Taxation from Discontinued / Disposal Group	-	-	-	-
Net Profit / (Loss) after MI	<u><u>(5,861)</u></u>	<u><u>(2,821)</u></u>	<u><u>(9,893)</u></u>	<u><u>(3,876)</u></u>
<b>Profit / (Loss) attributable to:</b>				
Owners of the Company	(5,861)	(2,821)	(9,893)	(3,876)
Non Controlling Interests	-	-	-	-
<b>Profit / (Loss) for the period</b>	<u><u>(5,861)</u></u>	<u><u>(2,821)</u></u>	<u><u>(9,893)</u></u>	<u><u>(3,876)</u></u>
Weighted Average Number of Ordinary Shares in issue	130,000	130,000	130,000	130,000
Earnings Per Share (sen) # attributable to owners of the Company:				
Basic (sen)	<u>(4.51)</u>	<u>(2.17)</u>	<u>(7.61)</u>	<u>(2.98)</u>
Fully diluted	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

*This statement should be read in conjunction with the the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.*

**NOTE:**

# EARNINGS per share is calculated based on the Net Profit After MI divided by the number of ordinary shares of RM 0.50 each in issue as at END OF PERIOD.

## DEPRECIATION reclassified from Cost of Sales to disclose as separate item.

**IRM GROUP BERHAD (628000-T)**  
(Incorporated in Malaysia)

**Quarterly report on consolidated results for the 2ND QUARTER ended 30 JUNE 2013**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(The figure has not been audited)

	2ND QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	Unaudited 30-Jun-13 RM '000	Unaudited Restated 30-Jun-12 RM '000	Unaudited 30-Jun-13 RM '000	UnAudited Restated 30-Jun-12 RM '000
<b>Profit / (Loss) for the period</b>	(5,861)	(2,821)	(9,893)	(3,876)
<b>Other Comprehensive Income/(Loss), Net of Tax:</b>				
Surplus on revaluation of properties	-	-	-	-
Income Tax relating to components of other comprehensive income	-	-	-	-
Other Comprehensive Income/(Loss) for the period	-	-	-	-
<b>Total Comprehensive Income/(Loss) for the period</b>	<u>(5,861)</u>	<u>(2,821)</u>	<u>(9,893)</u>	<u>(3,876)</u>
<b>Total Comprehensive Income/(Loss) attributable to:</b>				
Owners of the Company	(5,861)	(2,821)	(9,893)	(3,876)
Non-controlling interests	-	-	-	-
<b>Total Comprehensive Income/(Loss) for the period</b>	<u>(5,861)</u>	<u>(2,821)</u>	<u>(9,893)</u>	<u>(3,876)</u>

This statement should be read in conjunction with the the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO STATEMENT OF COMPREHENSIVE INCOME: (Additional information)	2ND QUARTER CURRENT YEAR	2ND QUARTER PRECEDING YEAR	CUMMULATIVE CURRENT YEAR	CUMMULATIVE PRECEDING YEAR
	Unaudited 30-Jun-13 RM ' 000	Unaudited 30-Jun-12 RM ' 000	Unaudited 30-Jun-13 RM ' 000	Unaudited 30-Jun-12 RM ' 000
<b>Profit / (Loss) for the period is arrived at after charging and crediting the following:</b>				
Depreciation and Amortization	(751)	(763)	(1,540)	(1,524)
Allowance for impairment of Receivables	-	-	-	-
Allowance for impairment of Receivables no longer required	-	-	-	61
Provision for and write off of Inventories	-	-	-	-
Gain or (Loss) on disposal of quoted and unquoted investments or properties	(702)	-	(702)	-
Property Plant Equipment written off	-	-	-	-
Foreign Exchange gain or loss	-	-	-	-
Fair value Gain / (Loss) on derivative financial instruments	-	161	-	161
Exceptional items:				
Insurance claim	-	357	-	626
Product defects compensation	-	-	-	-
Prior year expense write off no longer required	-	-	-	-
Provision for Voluntary Separation Scheme	-	-	-	-
Provision for Voluntary Separation Scheme overprovided	-	-	-	-
Waiver of Non-Trade debts	-	-	-	-
Write back of Non-Trade debts	-	-	-	-
Gain / (Loss) on Disposal of Property Plant Equipment	-	-	-	-

**IRM GROUP BERHAD (628000-T)**  
(Incorporated in Malaysia)

**Quarterly report on consolidated results for the 2ND QUARTER ended 30 JUNE 2013**  
**CONDENSED CONSOLIDATED BALANCE SHEET**

(The figure has not been audited)

	<b>Unaudited 30-Jun-13 RM '000</b>	<b>Audited 31-Dec-12 RM '000</b>
PROPERTY, PLANT & EQUIPMENT	70,280	72,933
INVESTMENT PROPERTIES	-	-
DEVELOPMENT COST / INTANGIBLE ASSETS	7,945	4,295
<b>CURRENT ASSETS</b>		
Inventories	10,918	14,753
Trade debtors	5	4,743
Other debtors, deposits and prepayments	2,532	1,946
Taxation (Recoverable)	511	507
Deposit with licensed bank	417	414
Cash and bank balances	343	1,319
	<b>14,726</b>	<b>23,681</b>
Assets classified as Held for Sale	-	-
	<b>14,726</b>	<b>23,681</b>
<b>CURRENT LIABILITIES</b>		
Trade creditors	9,971	8,330
Finance Lease Liabilities (HP creditors)	158	206
Other creditors and accruals	6,016	12,670
Amount due to a Director	-	3
Short Term Borrowings	40,980	41,130
Derivative Financial Instruments	-	-
Taxation payable	-	-
	<b>57,125</b>	<b>62,339</b>
Liabilities associated with Assets classified as Held for Sale	-	-
	<b>57,125</b>	<b>62,339</b>
<b>NET CURRENT ASSETS</b>	<b>(42,399)</b>	<b>(38,657)</b>
	<b>35,826</b>	<b>38,570</b>
<b>FINANCED BY</b>		
Share capital	65,000	65,000
Share Premium	2,063	2,063
Revaluation Reserves	14,293	14,293
Retained profit / (Loss)	(48,496)	(30,152)
Profit / (Loss) for the period	(9,893)	(18,344)
Shareholders Fund	<b>22,967</b>	<b>32,860</b>
Minority Interest	-	-
	<b>22,967</b>	<b>32,860</b>
<b>LONG TERM BORROWING</b>	<b>8,713</b>	<b>1,624</b>
Provision for Retirement benefits	157	150
DEFERRED TAXATION Liabilities	3,472	3,472
Finance Lease Liabilities (HP Creditors)	517	464
	<b>35,826</b>	<b>38,570</b>
Net Assets ("NA") per share (sen) #	17.7	25.3

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NOTE:

# NA per share is calculated based on the NA divided by the number of ordinary shares of RM 0.50 each in issue as at END OF PERIOD.

**IRM GROUP BERHAD (628000-T)**  
(Incorporated in Malaysia)

**Quarterly report on consolidated results for the 2ND QUARTER ended 30 JUNE 2013**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
(The figure has not been audited)

<b>UNAUDITED as at 30 JUNE 2013</b>	<b>Non-Distributable Share Capital RM '000</b>	<b>Non-Distributable Share Premium RM '000</b>	<b>Non-Distributable Revaluation Reserve RM '000</b>	<b>Distributable Retained Profit/(Loss) RM '000</b>	<b>Total RM '000</b>	<b>Minority Interest RM '000</b>	<b>Total Equity RM '000</b>
<b>As at 1 January 2013</b>	65,000	2,063	14,293	(48,496)	32,860	-	32,860
<b>Other Comprehensive Income / (Loss):</b>							
Revaluation Reserve arising from revalued assets	-	-	-	-	-	-	-
Transferred to deferred taxation	-	-	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	-	-	-	-	-
Realisation of revaluation reserve on depreciation of revalued asset	-	-	-	-	-	-	-
	<u>65,000</u>	<u>2,063</u>	<u>14,293</u>	<u>(48,496)</u>	<u>32,860</u>	<u>-</u>	<u>32,860</u>
Net profit / (Loss) for the period / Total Comprehensive Income / (Loss) for the period	-	-	-	(9,893)	(9,893)	-	(9,893)
<b>As at 30 JUNE 2013</b>	<u><b>65,000</b></u>	<u><b>2,063</b></u>	<u><b>14,293</b></u>	<u><b>(58,389)</b></u>	<u><b>22,967</b></u>	<u><b>-</b></u>	<u><b>22,967</b></u>
<b>AUDITED as at 31 DECEMBER 2012</b>	<b>Non-Distributable Share Capital RM '000</b>	<b>Non-Distributable Share Premium RM '000</b>	<b>Non-Distributable Revaluation Reserve RM '000</b>	<b>Distributable Retained Profit/(Loss) RM '000</b>	<b>Total RM '000</b>	<b>Minority Interest RM '000</b>	<b>Total Equity RM '000</b>
<b>Balance at 1 January 2012</b>	65,000 *	2,063	11,307	(32,169)	46,201	-	46,201
Effect of adopting FRS	-	-	-	-	-	-	-
<b>Balance at 1 January 2012</b>	<u>65,000</u>	<u>2,063</u>	<u>11,307</u>	<u>(32,169)</u>	<u>46,201</u>	<u>-</u>	<u>46,201</u>
<b>Other Comprehensive Income / (Loss):</b>							
Revaluation reserve arising from revalued assets	-	-	-	-	-	-	-
Transferred to deferred taxation	-	-	-	-	-	-	-
Realisation of revaluation reserve on depreciation of revalued asset	-	-	2,986	2,017	5,003	-	5,003
	<u>65,000</u>	<u>2,063</u>	<u>14,293</u>	<u>(30,152)</u>	<u>51,204</u>	<u>-</u>	<u>51,204</u>
Net profit / (Loss) for the period / Total Comprehensive Income / (Loss) for financial year	-	-	-	(18,344)	(18,344)	-	(18,344)
<b>Balance at 31 December 2012</b>	<u><b>65,000</b></u>	<u><b>2,063</b></u>	<u><b>14,293</b></u>	<u><b>(48,496)</b></u>	<u><b>32,860</b></u>	<u><b>-</b></u>	<u><b>32,860</b></u>

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**NOTE:**

\* This includes RM2 comprising 4 ordinary shares of RM0.50 each.

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**Quarterly report on consolidated results for the 2ND QUARTER ended 30 JUNE 2013**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

(The figure has not been audited)

	<b>Unaudited 30-Jun-13 RM '000</b>	<b>Audited 31-Dec-12 RM '000</b>
Cash flows from/ (used in) operating activities		
Profit/(Loss) before taxation -		
Continueing Operations	(9,893)	(18,473)
Discontinued Operations / Disposal Group	-	-
<b>Adjustment for:</b>		
Loss on disposal of Investment Properties	702	-
Deposit written off	-	1,050
Fair value loss/(gain) on derivative financial instrument	-	(3)
Other Income - Goodwills on Consolidation written off	-	-
Depreciation	1,540	3,333
(Gain) / Loss on Disposal of PPE	-	-
Allowance for Retirement benefits	-	22
Provision for Vol Separation Sch / (No longer required)	-	-
Unrealised Loss / (Gain) on Foreign Exchange	-	7
Interest expenses	2,058	3,330
Allowance for Doubtful Debts	-	2,500
Allowance for Doubtful Debts - No longer required	-	(1,357)
Bad Debts Written Off	-	47
Inventories Written Off	-	544
Interest income	-	(10)
Write back of non Trade Debts	-	-
Operating profit/(loss) before working capital changes	<u>(5,593)</u>	<u>(9,010)</u>
Changes in working capital:		
Inventories	3,835	13,067
Receivables	4,148	9,697
Payables	(5,063)	(13,802)
Net cash flows from/ (used in) operating activities	<u>(2,673)</u>	<u>(49)</u>
Retirement Benefits paid	-	-
Taxation (paid) / recovered	-	(5)
Tax refund	-	68
Net cash generated from/(used in) operating activities	<u>(2,673)</u>	<u>15</u>
Acquisition of subsidiaries, net of cash	-	-
Deferred expenditure incurred	-	(1,663)
Development costs incurred	(3,650)	(621)
Interest Income received	-	10
Proceeds from disposal of assets held for sale	-	-
Proceeds from disposal of investment properties	-	-
Proceeds from disposal of property, plant and equipment	-	-
Purchase of property, plant and equipment	-	(1,044)
Net cash generated from/(used in) investing activities	<u>(3,650)</u>	<u>(3,317)</u>
Proceeds from short term borrowings	-	-
Proceeds / (Repayments ) of short term borrowings	7,362	(206)
Proceeds from Term Loan	-	-
Repayments of Term Loan	(282)	(3,093)
Hire Purchase proceeds / (repayment)	(53)	-
Interest paid	(2,058)	(3,167)
Bills Payable	-	(645)
Proceeds from issuance of shares	-	-
Proceeds from investment in associates	-	-
Drawdown/(placement) of fixed deposits	-	11,505
Net cash generated from/(used in) financing activities	<u>4,969</u>	<u>4,394</u>
Net increase/(decrease) in cash and cash equivalents	(1,354)	1,091
Cash and cash equivalents brought forward	(136)	(1,227)
Cash and cash equivalents carried forward	<u>(1,490)</u>	<u>(136)</u>
<b>Cash and cash equivalent comprise of:</b>		
Cash and Bank balances	343	1,319
Deposits with licensed banks	417	414
Overdraft (in Bank Borrowings)	(2,250)	(1,869)
	<u>(1,490)</u>	<u>(136)</u>

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