

**ANCOM LOGISTICS BERHAD** (Company No.: 6614-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL QUARTER ENDED 31 MAY 2012**

	Individual quarter ended		Year-to-date ended	
	31.05.2012	31.05.2011	31.05.2012	31.05.2011
	RM'000	RM'000	RM'000	RM'000
<b>Continuing Business</b>				
Operating revenue	16,324	16,401	62,069	61,888
Cost of sales	(11,910)	(12,199)	(44,456)	(44,890)
Gross profit	4,414	4,202	17,613	16,998
Other income	86	506	195	12,095
Distribution expenses	(44)	(84)	(219)	(304)
Administrative expenses	(3,251)	(2,700)	(11,808)	(11,481)
Other operating expenses	(26)	46	(52)	-
	1,179	1,970	5,729	17,308
Finance costs	(210)	(205)	(597)	(1,143)
Profit from operations	969	1,765	5,132	16,165
Share of results of associates	-	-	-	-
Profit before taxation	969	1,765	5,132	16,165
Tax expense	(317)	333	(1,717)	(1,215)
Net profit from continuing operations	652	2,098	3,415	14,950
Profit from discontinued operations	-	(2,230)	-	(4,309)
Net profit for the period	652	(132)	3,415	10,641
<b>Profit attributable to:</b>				
Equity holders of the Company				
- Continuing operations	380	1,939	2,363	13,981
- Discontinued operations	-	(2,230)	-	(4,309)
Minority interests	272	159	1,052	969
	652	(132)	3,415	10,641
<b>Earnings per ordinary share attributable to equity holders of the Company</b>				
	Sen	Sen	Sen	Sen
- Basic	0.08	0.55	0.50	3.98
- Basic: discontinued operations	-	(0.64)	-	(1.23)

<b>TOTAL COMPREHENSIVE INCOME</b>				
Net profit for the period	652	(132)	3,415	10,641
<b>Other comprehensive income</b>				
Revaluation of leasehold land	-	2,646	-	2,646
Deferred tax on revaluation of land and building	-	(293)	-	(293)
Foreign currency translation	737	(40)	293	526
Foreign exchange reserve attributable to discontinued operations, transferred to profit and loss upon disposals of subsidiaries	-	2,693	-	4,948
Other comprehensive income for the period, net of tax	737	5,006	293	7,827
Total comprehensive income for the period	1,389	4,874	3,708	18,468
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company				
- Continuing operations	1,117	6,945	2,656	16,860
- Discontinued operations	-	2,644	-	639
Minority interests	272	159	1,052	969
	1,389	9,748	3,708	18,468

The Condensed Consolidated Income Statements should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2011 and the accompanying notes to the Interim Financial Report.

**ANCOM LOGISTICS BERHAD** (Company No.: 6614-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MAY 2012**

	Unaudited 31-05-2012 RM'000	Audited 31-05-2011 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	73,217	73,735
Investment in associates	2,802	3,902
Intangible assets	428	263
	<u>76,447</u>	<u>77,900</u>
<b>Current assets</b>		
Inventories	696	809
Trade receivables	12,324	12,124
Other receivables and other current assets	2,146	6,910
Tax recoverable	652	834
Other investments	-	1,806
Short term deposits with licensed banks	1,650	636
Cash and bank balances	4,615	5,527
	<u>22,083</u>	<u>28,646</u>
<b>TOTAL ASSETS</b>	<u><b>98,530</b></u>	<u><b>106,546</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	47,329	47,329
Share premium	6,414	6,414
Reserves	11,246	10,953
Retained profits	(6,519)	585
	<u>58,470</u>	<u>65,281</u>
<b>Minority Interest</b>	<u>12,777</u>	<u>12,705</u>
<b>Total equity</b>	<u><b>71,247</b></u>	<u><b>77,986</b></u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	8,165	7,364
Borrowings	2,602	4,054
	<u>10,767</u>	<u>11,418</u>
<b>Current liabilities</b>		
Trade payables	3,605	4,766
Other payables	3,942	4,833
Borrowings	8,516	6,515
Provision for taxation	453	1,028
	<u>16,516</u>	<u>17,142</u>
<b>Total liabilities</b>	<u><b>27,283</b></u>	<u><b>28,560</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>98,530</b></u>	<u><b>106,546</b></u>
<b>Net assets per share (RM)</b>	<b>0.15</b>	<b>0.16</b>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2011 and the accompanying notes to the Interim Financial Report.

**ANCOM LOGISTICS BERHAD** (Company No.: 6614-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL QUARTER ENDED 31 MAY 2012**

	Attributable to equity holders of the Company						Total RM'000	Minority interest RM'000	Total equity RM'000
	Non-Distributable			Distributable					
	Share capital RM'000	Share premium RM'000	Merger reserve RM'000	Revaluation reserve RM'000	Foreign exchange reserve RM'000	Retained profits RM'000			
As at 1 June 2010	51,898	-	50,762	-	(5,400)	(20,369)	<b>76,891</b>	11,569	<b>88,460</b>
Total comprehensive income	-	-	-	2,353	5,474	9,672	<b>17,499</b>	969	<b>18,468</b>
<b>Transactions with owners</b>									
Capital reduction	(25,949)	-	-	-	-	25,949	-	-	-
Additional capital contribution	-	-	-	-	-	-	-	167	<b>167</b>
Share issuance for working capital purposes	429	129	-	-	-	-	<b>558</b>	-	<b>558</b>
Share issuance for acquisition of a subsidiary	20,951	6,285	(27,236)	-	-	-	-	-	-
Merger reserve arising from acquisition of subsidiaries via cash	-	-	(15,000)	-	-	-	<b>(15,000)</b>	-	<b>(15,000)</b>
Dividends on ordinary shares to previous shareholder of Synergy Trans-Link Sdn Bhd prior to completion of acquisition	-	-	-	-	-	(5,201)	<b>(5,201)</b>	-	<b>(5,201)</b>
Interim dividends on ordinary shares paid during the year	-	-	-	-	-	(9,466)	<b>(9,466)</b>	-	<b>(9,466)</b>
<b>Balance at 31 May 2011</b>	<b>47,329</b>	<b>6,414</b>	<b>8,526</b>	<b>2,353</b>	<b>74</b>	<b>585</b>	<b>65,281</b>	<b>12,705</b>	<b>77,986</b>
At 1 June 2011	47,329	6,414	8,526	2,353	74	585	<b>65,281</b>	12,705	<b>77,986</b>
Final dividend in respect of financial year ended 31 May 2011 paid during the year	-	-	-	-	-	(9,467)	<b>(9,467)</b>	-	<b>(9,467)</b>
As restated	47,329	6,414	8,526	2,353	74	(8,882)	<b>55,814</b>	12,705	<b>68,519</b>
Total comprehensive income	-	-	-	-	293	2,363	<b>2,656</b>	1,052	<b>3,708</b>
Dividends paid to minority interests of subsidiary	-	-	-	-	-	-	-	(980)	<b>(980)</b>
<b>Balance at 31 May 2012</b>	<b>47,329</b>	<b>6,414</b>	<b>8,526</b>	<b>2,353</b>	<b>367</b>	<b>(6,519)</b>	<b>58,470</b>	<b>12,777</b>	<b>71,247</b>

The final dividend paid in respect of financial year ended 31 May 2011 was paid out of the net profit for that financial year of RM24.9 million.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2011 and the accompanying notes to the Interim Financial Report.

**ANCOM LOGISTICS BERHAD** (Company No.: 6614-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL QUARTER ENDED 31 MAY 2012**

	Year-to-date ended	
	00-01-1900 RM'000	00-01-1900 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	5,132	16,165
Adjustments for non-cash items	(428)	(2,016)
Operating profit before working capital changes	<u>4,704</u>	<u>14,149</u>
Net changes in working capital	1,151	(26,906)
Net cash generated from/(used in) operating activities	<u>5,855</u>	<u>(12,757)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cash (used in)/generated from investing activities	(4,194)	17,525
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net cash used in financing activities	(1,997)	(14,432)
Net increase in cash and cash equivalents	<u>(336)</u>	<u>(9,664)</u>
Cash and cash equivalents at the beginning of the financial year	4,857	14,511
Effect of exchange rate changes	(530)	10
	<u>4,327</u>	<u>14,521</u>
Cash and cash equivalents at the end of the financial year	<u>3,991</u>	<u>4,857</u>

Cash and cash equivalents include the following:

	RM'000	RM'000
Cash and bank balances	4,615	5,527
Bank overdrafts	(2,274)	(1,306)
Short term deposits	1,650	636
	<u>3,991</u>	<u>4,857</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2011 and the accompanying notes to the Interim Financial Report.

# ANCOM LOGISTICS BERHAD

(Incorporated in Malaysia)

(Company No: 6614-W)

## NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 MAY 2012

### A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT PURSUANT TO FINANCIAL REPORTING STANDARD ("FRS") 134

#### A1 Basis of preparation

The Interim Financial Report of Ancom Logistics Berhad ("ALB") and its subsidiaries ("Group") is unaudited and has been prepared in accordance with the Financial Reporting Standard ("FRS") 134: Interim Financial Reporting and Rule 9.22(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("ACE Market Listing Requirements").

The Interim Financial Report of the Group should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 May 2011. These explanatory notes attached to the Interim Financial Report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2011.

The significant accounting policies and methods of computation adopted by the Group in this Report are consistent with those adopted in the most recent Audited Financial Statements for the year ended 31 May 2011 except for the adoption of the following new and revised FRSs, IC Interpretations and Amendments to FRSs which are applicable and relevant to the Group's operations:

	<b>Effective for annual periods beginning on or after</b>
FRS 1 <i>First-time Adoption of Financial Reporting Standards</i>	1 July 2010
FRS 3 <i>Business Combinations (revised)</i>	1 July 2010
Amendments to FRS 2 <i>Share-based Payment</i>	1 July 2010
Amendments to FRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>	1 July 2010
Amendments to FRS 127 <i>Consolidated and Separate Financial Statements</i>	1 July 2010
Amendments to FRS 138 <i>Intangible Assets</i>	1 July 2010
Amendments to IC Interpretation 9 <i>Reassessment of Embedded Derivatives</i>	1 July 2010
IC Interpretation 12 <i>Service Concession Arrangements</i>	1 July 2010
IC Interpretation 16 <i>Hedges of a Net Investment in a Foreign Operation</i>	1 July 2010
IC Interpretation 17 <i>Distributions of Non-cash Assets to Owners</i>	1 July 2010
Amendments to FRS 1: <i>Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters</i>	1 January 2011
Amendments to FRS 1: <i>Additional Exemptions for First-time Adopters</i>	1 January 2011
Amendments to FRS 2: <i>Share based Payment - Group Cash settled Share based Payment Transactions</i>	1 January 2011
Amendments to FRS 7: <i>Improving Disclosures about Financial Instruments</i>	1 January 2011
Improvements to FRS issued in 2010	1 January 2011

## Ancom Logistics Berhad (6614-W)

Notes to the Interim Financial Report for the financial quarter ended 31 May 2012

	<b>Effective for annual periods beginning on or after</b>
IC Interpretation 4 <i>Determining Whether An Arrangement contains a Lease</i>	1 January 2011
IC Interpretation 18 <i>Transfers of Assets from Customers</i>	1 January 2011
TR 3 Guidance on disclosure of Translations to IFRS	1 January 2011

Except for the changes in accounting policies arising from the adoption of the revised FRS 3 and the amendments to FRS 127, as well as the new disclosures required under the Amendments to FRS 7, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the revised FRS 3 and the amendments to FRS 127 are summarised below.

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107 Statement of Cash Flows, FRS 112 Income Taxes, FRS 121 The Effects of Changes in Foreign Exchange Rates, FRS 128 Investments in Associates and FRS 131 Interests in Joint Ventures. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with minority interests.

Other than the above, the significant accounting policies adopted by the Group in this Report are consistent with those used in the Audited Financial Statements of the Group for the financial year ended 31 May 2011.

### **A2 Changes in accounting policies**

Except for the changes in accounting standards disclosed in Note 1 above, the significant accounting policies adopted by the Group in this Interim Financial Report are consistent with those adopted in the Group's most recent Audited Financial Statements for the financial year ended 31 May 2011.

### **A3 Auditors' report on preceding annual financial statements**

The auditors did not qualify the Group's Audited Financial Statements for the financial year ended 31 May 2011.

### **A4 Seasonality or cyclicity of interim operations**

During the financial quarter ended 31 May 2012, the operations of the Group were not significantly affected by any seasonal and cyclical factors.

**Ancom Logistics Berhad (6614-W)**

Notes to the Interim Financial Report for the financial quarter ended 31 May 2012

**A5 Items of unusual nature and amount**

During the financial quarter ended 31 May 2012, there were no items affecting the assets, liabilities, equity, net income or cash flows of the Group that are unusual by reason of their nature, size or incidence.

**A6 Changes in estimates**

There were no changes in estimates that have a material effect on the results for the financial quarter ended 31 May 2012.

**A7 Debt and equity securities**

There were no issuances, cancellations, repurchases and resale of debt securities and equity securities during the financial quarter ended 31 May 2012.

**A8 Dividends paid**

On 22 December 2011, the Company paid a single tier final dividend of 2 sen per ordinary share of RM9,465,726 in respect for the financial year ended 31 May 2011.

**A9 Segmental information**

	Continuing operations				Discontinued
	Logistics	Others	Elimination	Total	Engineering
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>31 May 2012</b>					
<b>Revenue</b>					
External revenue	59,185	2,884		<b>62,069</b>	-
Inter-segment revenue	-	-		-	-
<b>Total revenue</b>	<b>59,185</b>	<b>2,884</b>		<b>62,069</b>	-
Segment results	8,203	(2,474)		<b>5,729</b>	-
Unallocated corporate expenses				-	-
Operating profits				<b>5,729</b>	-
Finance costs				<b>(597)</b>	-
Share of results of associates				-	-
Loss before taxation				<b>5,132</b>	-
Tax expense				<b>(1,717)</b>	-
<b>Net profit for the period</b>				<b>3,415</b>	-
<b>31 May 2011</b>					
<b>Revenue</b>					
External revenue	58,229	3,659		<b>61,888</b>	30,926
Inter-segment revenue	194	-	(194)	-	-
<b>Total revenue</b>	<b>58,423</b>	<b>3,659</b>		<b>61,888</b>	30,926
Segment results	17,077	231		<b>17,308</b>	729
Unallocated corporate expenses				-	(4,309)
Operating profits				<b>17,308</b>	(3,580)
Finance costs				<b>(1,143)</b>	(4)
Share of results of associates				-	-
Profit before taxation				<b>16,165</b>	(3,584)
Tax expense				<b>(1,215)</b>	(725)
<b>Net profit for the period</b>				<b>14,950</b>	(4,309)

**Ancom Logistics Berhad (6614-W)**

Notes to the Interim Financial Report for the financial quarter ended 31 May 2012

**A10 Carrying amount of revalued assets**

The valuations of property, plant and equipment have been brought forward, without amendments, from the Audited Financial Statements for the financial year ended 31 May 2011.

The carrying value of the Group's land and building are stated at valuation less accumulated depreciation and impairment losses. The carrying amounts of other plant and equipment are stated at cost less accumulated depreciation and impairment losses.

**A11 Subsequent events**

There was no material events subsequent to the end of the financial quarter ended 31 May 2012 up to the date of the Interim Financial Report.

**A12 Changes in composition of the Group**

There was no material changes in the composition of the Group in the current financial quarter ended 31 May 2012 up to the date of the Interim Financial Report.

**A13 Contingent liabilities**

	<b>Company</b>	
	<b>31-05-2012</b>	<b>31-05-2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Unsecured:		
Guarantees given to financial institutions for facilities granted to a subsidiary	3,000	3,000



**B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS**

**B1 Performance review for the current financial quarter against previous financial year corresponding quarter**

In the quarter ended 31 May 2012, the Group posted RM16.3 million revenue, which was marginally lower as compared with RM16.4 million in the corresponding quarter last year. For the financial year ended 31 May 2012, the Group posted RM62.1 million revenue, which was marginally higher than RM61.9 million a year ago.

The higher revenue for the current financial year was primarily due to improved demand in the Group's tank farm business. However, stiff competition in the transportation and engineering trading businesses has partially eroded the gain.

Profit before taxation ("PBT") for the current financial quarter declined to RM0.9 million as compared with RM1.8 million in the corresponding quarter last year. For the financial year ended 31 May 2012, PBT declined to RM5.1 million as compared with RM16.2 million last year.

Without any exceptional items, the results for the current financial year would be RM6.2 million (excluding RM1.1 million provision for impairment on investments in associated company) compared with RM5.2 million (excluding RM10.98 million one-off gain from the sale of Ancom Logistics Berhad's property). The improved results, excluding the exceptional items, in the current financial year was mainly due to higher revenue and lower operating costs incurred during the financial year.

**B2 Material change in the results for the current financial quarter as compared with immediate preceding financial quarter**

Revenue for the current financial quarter improved to RM16.3 million as compared with RM14.7 million in the immediate preceding quarter due to higher revenue from the subsidiary as discussed in Note B1 above. However, PBT increased marginally to RM0.9 million from RM0.8 million as the profit made for the quarter was eroded by RM1.1 million impairment of investment in an associated company.

**B3 Prospects for the next financial year**

In light of the global economic uncertainties, the Board will continue to exercise caution in managing the business going forward.

**B4 Forecast profit, profit guarantee and internal targets**

The Group did not provide any profit forecast, profit guarantee and internal targets in any publicly available documents or announcements.

**Ancom Logistics Berhad (6614-W)**

Notes to the Interim Financial Report for the financial quarter ended 31 May 2012

**B5 Taxation**

	Individual quarter ended		Year-to-date ended	
	31-05-2012	31-05-2011	31-05-2012	31-05-2011
	RM'000	RM'000	RM'000	RM'000
Current tax expense based on profit for the financial period:				
Malaysian income tax	626	(877)	1,711	230
Foreign income tax	(309)	100	18	553
	<u>317</u>	<u>(777)</u>	<u>1,729</u>	<u>783</u>
Under/(over) provision in prior years:				
Malaysian income tax	-	(318)	(12)	(330)
Foreign income tax	-	-	-	-
	<u>317</u>	<u>(1,095)</u>	<u>1,717</u>	<u>453</u>
Deferred taxation:				
Transfer to/(from) deferred taxation	-	726	-	726
Under/(over) provision in prior years	-	36	-	36
	<u>317</u>	<u>(333)</u>	<u>1,717</u>	<u>1,215</u>

**B6 Sale of unquoted investments and properties**

There were no disposals of unquoted investments and properties in the current financial quarter ended 31 May 2012 and at the date of this Interim Financial Report.

**B7 Quoted securities**

There were no purchases of quoted securities for the financial quarter ended 31 May 2012 and at the date of this Interim Financial Report. As at the balance sheet date, the Group has no investment in quoted securities.

**B8 Status of Corporate Proposal**

There were no corporate proposals announced but not completed as at the date of this Interim Financial Report.

**B9 Utilisation of proceeds**

Not applicable as the Company has not raised any proceeds from any corporate exercises during the financial period.

**Ancom Logistics Berhad (6614-W)**

Notes to the Interim Financial Report for the financial quarter ended 31 May 2012

**B10 Group borrowings**

Group borrowings denominated in their functional currencies of the continuing operations are as follows:

	31-05-2012 RM'000	31-05-2011 RM'000
<b>SHORT TERM BORROWINGS</b>		
Secured:		
Ringgit Malaysia	1,478	3,418
Singapore Dollar	2,276	239
	<b>3,754</b>	<b>3,657</b>
Unsecured:		
Ringgit Malaysia	4,304	2,245
Singapore Dollar	458	613
	<b>4,762</b>	<b>2,858</b>
<b>Total short term borrowings</b>	<b>8,516</b>	<b>6,515</b>
<b>LONG TERM BORROWINGS</b>		
Secured:		
Ringgit Malaysia	1,772	3,628
Singapore Dollar	911	426
	<b>2,683</b>	<b>4,054</b>
Unsecured:		
Ringgit Malaysia	(81)	-
Singapore Dollar	-	-
	<b>(81)</b>	<b>-</b>
<b>Total long term borrowings</b>	<b>2,602</b>	<b>4,054</b>
<b>TOTAL BORROWINGS</b>	<b>11,118</b>	<b>10,569</b>

Note:

1. Borrowings denominated in foreign currencies are stated at Ringgit Malaysia equivalent as at the reporting dates stated above.

**B11 Off balance sheet financial instruments**

The Group does not have any off balance sheet financial instruments as at the date of this Interim Financial Report.

**B12 Material litigation**

The Group does not have any material litigation as at the date of this Interim Financial Report.

**B13 Dividends payable**

The Directors did not propose any dividend for the financial quarter ended 31 May 2012 (2011 : Interim dividend of 2 sen per share and final dividend of 2 sen per share (both single tier)).

**Ancom Logistics Berhad (6614-W)**

Notes to the Interim Financial Report for the financial quarter ended 31 May 2012

**B14 Earnings per share**(a) Basic earnings per share

	Individual quarter ended		Year-to-date ended	
	31-05-2012	31-05-2011	31-05-2012	31-05-2011
<b>Weighted average number of ordinary shares ('000)</b>	<b>473,286</b>	351,031	<b>473,286</b>	351,031
<b>Net profit attributable to ordinary equity holders of the Company (RM'000)</b>				
- Continuing	<b>380</b>	1,939	<b>2,363</b>	13,981
- Discontinued operations	-	(2,230)	-	(4,309)
	<b>380</b>	(291)	<b>2,363</b>	9,672
<b>Basic earnings per ordinary share (sen)</b>				
- Continuing	<b>0.08</b>	0.55	<b>0.50</b>	3.98
- Discontinued operations	-	(0.64)	-	(1.23)
	<b>0.08</b>	(0.09)	<b>0.50</b>	2.75

The basic earnings per share is calculated by dividing the net profit attributable to the shareholders of the Company by the number of ordinary shares in issue of 473,286,313 shares during the financial period.

(b) Fully diluted loss per share

The Company has no potential ordinary shares in issue as at the balance sheet date and therefore, diluted loss per share has not been presented.

**B15 Disclosure of realised and unrealised profits**

Bursa Securities has, on 25 March 2010 and 20 December 2010, issued directives requiring all listed issuers to disclose the breakdown of unappropriated profits or accumulated losses as at the end of the reporting period, on a group basis, into realised and unrealised profits or losses, as the case may be, in the notes to its quarterly reports.

The breakdown of retained profits of the Group as at 31 May 2012, pursuant to the format prescribed by Bursa securities, is as follows:

Total retained profits of the Group	<b>RM'000</b>
- Realised	(1,739)
- Unrealised	(8,165)
	<u>(9,904)</u>
Less: Consolidation adjustments	3,385
As per consolidated financial statements	<u>(6,519)</u>

**BY ORDER OF THE BOARD**

Choo Se Eng  
Stephen Geh Sim Whye  
Company Secretaries  
Petaling Jaya

31 July 2012