

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2013 (unaudited)**

	Individual Period		Cumulative Period	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Quarter
	30/06/13 RM'000	30/06/12 RM'000	30/06/13 RM'000	30/06/12 RM'000
Revenue	632	415	1,173	6,081
Cost of sales	(192)	(274)	(594)	(5,758)
Gross profit	440	141	579	323
Other income	593	55	705	94
Administrative expenses	(923)	(2,598)	(2,024)	(3,790)
Selling and marketing expenses	(61)	22	(100)	(12)
Other expenses	(811)	(428)	(1,472)	(1,713)
Operating loss	(762)	(2,808)	(2,312)	(5,098)
Finance costs	-	(12)	-	(61)
Loss before tax	(762)	(2,820)	(2,312)	(5,159)
Income tax expense	1	-	1	-
Loss for the period	(761)	(2,820)	(2,311)	(5,159)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2013 (unaudited) (CONTD.)**

	Individual Period		Cumulative Period	
	Current Quarter 30/06/13 RM'000	Preceding Year Corresponding Quarter 30/06/12 RM'000	Current Year To Date 30/06/13 RM'000	Preceding Year Corresponding Quarter 30/06/12 RM'000
Other comprehensive loss				
Foreign currencies translation	(91)	(22)	(161)	(10)
Other comprehensive loss, net of tax	(91)	(22)	(161)	(10)
Total comprehensive loss	(852)	(2,798)	(2,472)	(5,169)
Loss attributable to:				
Equity holders of the parent	(761)	(2,820)	(2,311)	(5,159)
Non-controlling interests	-	-	-	-
	(761)	(2,820)	(2,311)	(5,159)
Total comprehensive loss attributable to:				
Equity holders of the parent	(852)	(2,798)	(2,472)	(5,169)
Non-controlling interests	-	-	-	-
	(852)	(2,798)	(2,472)	(5,169)
Loss per share attributable to equity holders of the parent: (cent per share)				
- basic	0.64	4.02	1.95	7.36
- diluted	0.64	4.02	1.95	7.36

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013 (unaudited)**

	30/06/13 RM'000 (Unaudited)	31/12/12 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	354	421
Investment properties	850	850
Intangible assets	2,680	2,800
Other investments	485	485
	4,369	4,556
Current assets		
Inventories	4,800	4,800
Trade and other receivables	24,896	23,603
Other current assets	296	244
Marketable securities	260	251
Tax recoverable	56	26
Deposits with licensed banks	1,653	5,503
Cash and bank balances	367	454
	32,328	34,881
TOTAL ASSETS	36,697	39,437
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	35,797	35,797
Treasury shares	(712)	(712)
Other reserves	5,538	5,699
Accumulated losses	(12,717)	(10,406)
Shareholders' funds	27,906	30,378
Total equity	27,906	30,378

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013 (unaudited) (CONTD.)**

	30/06/13 RM'000 (Unaudited)	31/12/12 RM'000 (Audited)
Current liabilities		
Trade and other payables	8,761	9,059
Tax payables	30	-
	8,791	9,059
Total liabilities	8,791	9,059
TOTAL EQUITY AND LIABILITIES	36,697	39,437
Net Assets Per Share (RM/share)	0.23	0.25

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 JUNE 2013 (unaudited)

	----- Attributable to Equity Holders of the Parent Company -----						Equity Attributable to Equity Holders of the Parent Company RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	----- Non-distributable -----			Distributable					
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Other Reserves RM'000	Accumulated Losses RM'000				
As at 1 January 2013	35,797	-	(712)	5,699	(10,406)	30,378	-	30,378	
Currency translation differences	-	-	-	(161)	-	(161)	-	(161)	
Loss for the period	-	-	-	-	(2,311)	(2,311)	-	(2,311)	
As at 30 June 20123	35,797	-	(712)	5,538	(12,717)	27,906	-	27,906	
As at 1 January 2012	54,833	8,454	(712)	78	(42,134)	20,519	-	20,519	
Currency translation differences	-	-	-	(10)	-	(10)	-	(10)	
Effect of capital reduction exercise	(38,383)	(8,291)	-	-	46,674	-	-	-	
Expenses incurred in relation to rights issue with warrants	-	(163)	-	-	-	(163)	-	(163)	
Increase in share capital via private placement	1,612	-	-	-	-	1,612	-	1,612	
Increase in share capital via rights issue	17,735	-	-	-	-	17,735	-	17,735	
Issuance of warrants	-	-	-	3,546	(3,546)	-	-	-	
Loss for the period	-	-	-	-	(5,159)	(5,159)	-	(5,159)	
As at 30 June 2012	35,797	-	(712)	3,614	(4,165)	34,534	-	34,534	

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2013 (unaudited)**

	30/06/13 RM'000	30/06/12 RM'000
Cash flows from operating activities		
Loss before tax	(2,312)	(5,159)
<u>Adjustments for:</u>		
Amortisation of intangible assets	125	193
Depreciation	80	135
Gain on disposal of property, plant and equipment	-	(24)
Interest expense	-	61
Interest income	(44)	(28)
Reversal of allowance for impairment	(8)	-
Unrealised foreign exchange gain	(9)	(4)
Operating loss before working capital changes	(2,168)	(4,826)
Changes in working capital		
Net change in trade & other receivables	(1,383)	(491)
Net change in trade & other payables	(298)	4,260
Cash used in operations	(3,849)	(1,057)
Tax paid	-	(10)
Interest paid	-	(61)
Net cash used in operating activities	(3,849)	(1,128)
Cash flows from investing activities		
Interest received	44	28
Purchase of property, plant and equipment	(8)	(63)
Proceeds from disposal of property, plant and equipment	-	24
Net cash generated from investing activities	36	11

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR QUARTER ENDED 30 JUNE 2013 (unaudited) (CONTD.)**

	30/06/13 RM'000	30/06/12 RM'000
Cash flows from financing activities		
Expenses incurred in relation to rights issue with warrants	-	(163)
Proceeds from issuance of shares	-	14,547
Repayment of loan and borrowings	-	(4,328)
Net cash generated from financing activities	-	10,056
Net (decrease)/increase in cash and cash equivalents	(3,813)	8,917
Effect of exchange rate changes	(124)	34
Cash and cash equivalents at beginning of financial period	5,957	413
Cash and cash equivalents at end of financial period	2,020	9,364
Cash and cash equivalents at end of financial period:		
Deposits with licensed banks	1,653	3,602
Cash and bank balances	367	5,762
	2,020	9,364

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

**PART A: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2013**

1. Corporate Information

FSBM Holdings Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad ("BMSB")

These condensed consolidated financial statements were approved by the Board of Directors on 26 August 2013.

2. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MRFS) 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board ("MASB") and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

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

3. Significant Accounting Policies

The significant accounting policies adopted in preparing this condensed consolidated interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2012 except for the adoption of the following new MFRSs, Amendments to MFRSs and IC Interpretations which are applicable for the Group's financial period beginning 1 January 2013:

MFRSs, Amendments to MFRSs and Interpretations	Effective date
Amendments to MFRS 101: Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income	1 July 2012
MFRS 3: Business Combinations	1 January 2013
MFRS 10: Consolidated Financial Statements	1 January 2013

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)**

3. Significant Accounting Policies (CONTD.)

MFRSs, Amendments to MFRSs and Interpretations	Effective date
MFRS 11: Joint Arrangements	1 January 2013
MFRS 12: Disclosure of Interests in Other Entities	1 January 2013
MFRS 13: Fair Value Measurement	1 January 2013
MFRS 119: Employee Benefits	1 January 2013
MFRS 127: Consolidated and Separate Financial Statements	1 January 2013
MFRS 128: Investment in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards – Government Loans	1 January 2013
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 10: Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to MFRS 11: Joint Arrangements: Transition Guidance	1 January 2013
Amendments to MFRS 12: Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013
Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 116: Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 132: Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 134: Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)	1 January 2013

**PART A: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)****3. Significant Accounting Policies (CONTD.)**

Amendments to IC Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009-2011 Cycle) 1 January 2013

IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine 1 January 2013

The adoption of the above standards and interpretations will have no material impact on these condensed consolidated interim financial statements of the Group, the main changes of which are discussed below:

(a) MFRS 3: Business Combinations (IFRS 3: Business Combinations issued by IASB in March 2004) and MFRS 127: Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)

An entity shall apply these earlier versions of MFRS 3 and MFRS 127 only if the entity has elected to do so as allowed in MFRS 10: Consolidated Financial Statements.

(b) MFRS 9: Financial Instruments

MFRS 9 reflects the first phase of work on the replacement of MFRS 139: Financial Instruments – Recognition and Measurement and applies to classification and measurement of financial assets and financial liabilities as defined in MFRS 139: Financial Instruments – Recognition and Measurement. The adoption of the first phase of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

(c) MFRS 10: Consolidated Financial Statements

MFRS 10 replaces part of MFRS 127: Consolidated and Separate Financial Statements that deals with consolidated financial statements and IC Interpretations 112: Consolidation – Special Purpose Entities.

Under MFRS 10, an investor controls an investee when:

- (i) the investor has power over an investee,
- (ii) the investor has exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) the investor has ability to use its power over the investee to affect the amount of the investor's returns.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)**

3. Significant Accounting Policies (CONTD.)

(c) MFRS 10: Consolidated Financial Statements (CONTD.)

Under MFRS 127: Consolidated and Separate Financial Statements, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

MFRS 10 includes detailed guidance to explain when an investor has control over the investee. MFRS 10 requires the investor to take into account all relevant facts and circumstances.

(d) MFRS 13: Fair Value Measurement

MFRS 13 establishes a single source of guidance under MFRS for all fair value measurements. MFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under MFRS when fair value is required or permitted.

(e) Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)

The amendments to MFRS 101 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations and net gain or loss on available for sale financial assets) would be presented separately from items which will never be reclassified (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendments affect presentation only and have no impact on the Group's financial position and performance.

(f) MFRS 127: Separate Financial Statements

As a consequence of the new MFRS 10 and MFRS 12, MFRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.

**PART A: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)**

4. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the preceding financial statements for the financial year ended 31 December 2012 was not qualified.

5. Seasonal or Cyclical Factors

The business operations of the Group during the financial period under review have not been materially affected by any significant seasonal or cyclical factors.

6. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items materially affecting the assets, liabilities, equity, net income or cash flow of the Group during the financial period.

7. Material Changes in Estimates

There were no material changes in estimates that have had any material effect on results of the financial period under review.

8. Issuances and Repayment of Debt and Equity

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period under review.

9. Dividend Paid

There were no dividends paid during the financial period under review.

**PART A: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)**

10. Segment Reporting

Segmental information for the financial period under review is presented in respect of the Group's business segment, as follows:

	Individual Period		Cumulative Period	
	Current Quarter 30/06/13 RM'000	Preceding Year Corresponding Quarter 30/06/12 RM'000	Current Year To Date 30/06/13 RM'000	Preceding Year Corresponding Quarter 30/06/12 RM'000
Segment Revenue				
Solutions	188	40	515	5,336
Communication & Multimedia	419	304	608	514
Education	-	-	-	-
Investment Holdings & Others	25	71	50	231
Total Revenue Including Inter- Segment Sales	632	415	1,173	6,081
Elimination of Inter- Segment Sales	-	-	-	-
Total Segment Revenue	632	415	1,173	6,081
Segment Results				
Solutions	160	(1,100)	(77)	(1,398)
Communication & Multimedia	7	(135)	(304)	(758)
Education	(12)	(33)	(46)	(54)
Investment Holdings & Others	(917)	(1,540)	(1,885)	(2,888)
	(732)	(2,808)	(2,312)	(5,098)
Elimination	-	-	-	-
Operating loss	(732)	(2,808)	(2,312)	(5,098)

**PART A: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)**

11. Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment during the quarter under review.

12. Subsequent Material Events

There were no material events subsequent to the end of the current reporting quarter other than as disclosed in Part B: Explanatory Notes Pursuant To MRFS 134, Note 6. Corporate Proposal and Status of Utilization of Proceeds Raised from Rights Issue and Note 8. Changes in Material Litigation below.

13. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial quarter ended 30 June 2013.

14. Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities and contingent assets since the financial year ended 31 December 2012.

15. Capital Commitments

There are no material capital commitments as at the date of this report.

**PART B: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)**

1. Review of Performance (Q2 2013 v Q2 2012)

The Group's revenue for the second quarter of 2013 was RM0.632 million compared to RM0.415 million in the second quarter of 2012. The Group reported a loss before tax of RM0.762 million compared to a loss before tax of RM2.820 million in the same quarter of the previous year.

The main revenue contribution for the current quarter came from Communication and Multimedia segment, similar to the preceding year corresponding quarter. Under the Communication division, our work under the UNOS Mobile Financial Services is ongoing, having launched in another bank.

2. Comment on Material Change in Loss Before Taxation (Q2 2013 : Q1 2013)

Loss before tax of the Group was RM0.762 million for the quarter ended 30 June 2013 compared to a loss before tax of RM1.550 million for the preceding quarter ended 31 March 2013. The lower loss before tax was principally due to an increase in other income resulting from the write back of RM0.565 million in cost of sales overprovided in prior years.

3. Prospects

The Management is still working hard to secure a major project which is necessary to ensure the future viability of the FSBM Group. We are also hopeful that the outcome from some other projects that we have been pursuing will be favourable to our Group. Activities within UNOS have been ongoing, and we continue to seek new customers within the region.

4. Profit Forecast

There was no profit forecast issued by the Group.

**PART B: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)**

5. Income Tax Expense

	3 Months Ended		Year-To-Date Ended	
	30/06/13 RM'000	30/06/12 RM'000	30/06/13 RM'000	30/06/12 RM'000
Current quarter / period:				
- Income tax	-	-	-	-
	-	-	-	-
Over provision in prior period:				
- Income tax	1	-	1	-
- Deferred tax	-	-	-	-
	1	-	1	-
	1	-	1	-

6. (a) Corporate Proposal

Proposed Private Placement of up to 17,844,029 new ordinary shares of RM0.30 each in FSBM ("FSBM shares" or "shares"), representing up to ten percent (10%) of the issued and paid-up share capital of FSBM at an issue price to be determined and announced later ("Proposed Private Placement")

Reference is made to the announcement dated 21 August 2013 in relation to the Proposed Private Placement.

The Proposed Private Placement is conditional upon the approvals being obtained from the following:

- (i) Bursa Securities, for the listing of and quotation for the Placement Shares to be placed pursuant to the Proposed Private Placement; and
- (ii) Any other relevant authority, if required.

Barring any unforeseen circumstances, the Proposed Private Placement is expected to be completed in the first quarter of 2014.

**PART B: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)**

6. (b) Status of Utilization of Proceeds Raised from Rights Issue

The actual utilization of RM17,734,959 proceeds raised from rights issue of 59,116,530 new ordinary shares of RM0.30 each at an issue price of RM0.30, which was completed on 23 May 2012, is given as follows:

Description	As at 20 Aug 2013			Estimated timeframe for utilization of proceeds
	Proposed Utilization RM'000	Actual Utilization RM'000	Balance RM'000	
Repayment of advances	4,800	4,800	Nil	
General working capital requirements	12,772	11,705	1,067	Within 24 months by May 2014
Rights issue expenses	163	163	Nil	
	17,735	16,668	1,067	

7. Group Borrowings and Debt Securities

There were no group borrowings and debt securities as at 30 June 2013.

8. Changes in Material Litigation

**(i) FSBM Holdings Berhad (“the Company”) Vs Technitium Sdn Bhd (“TSB”)
Kuala Lumpur High Court Civil Suit No.: D22-NCC-839-2010**

Reference is made to the Company’s earlier announcements in relation to the above.

Pursuant to the High Court’s decision on 21 November 2011 in allowing the Court Order that all monies claimed by the Company in the arbitration proceeding with TSB, being RM8,563,212.64, be deposited into the Company’s solicitor’s bank account as stakeholders, dismissing the appeal filed by TSB on 9 February 2012. To date, TSB has not complied with the Court Order.

On 18 June 2012, the Court has ordered that TSB be wound up under the provisions of the Companies Act, 1965.

**PART B: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)**

8. Changes in Material Litigation (contd.)

**(ii) FSBM Ctech Sdn Bhd ("CTECH") Vs Technitium Sdn Bhd ("TSB")
Kuala Lumpur High Court Civil Suit No.: D22-NCC-1017-2010**

Reference is made to the Company's earlier announcements in relation to the above.

On 20 January 2012 the Court delivered its Judgement and ordered TSB to pay FSBM CTech the sum of RM32,409,434.77 and interest at 8% commencing from date of filing of Writ until date of judgment including costs of RM200,000.00 to be paid by TSB to FSBM CTech. In addition, the Court dismissed TSB's counter-claim.

On 18 June 2012, the Court has ordered that TSB be wound up under the provisions of the Companies Act, 1965. On 2 July 2012, FSBM CTech received the sealed winding up order on TSB. The Court has also appointed liquidators.

On 30 January 2012, TSB had filed an appeal in the Court of Appeal against the Judgement. At the hearing on 10 September 2012, the Court of Appeal dismissed TSB's claim with cost of RM80,000 to be borne by the directors of TSB in their personal capacity. On 12 December 2012, the appeal was dismissed with costs of RM10,000 to be borne by TSB.

TSB had appealed to the Federal Court on the same Judgment. The hearing for the Application for Leave scheduled on 19 August 2013 has been further postponed, and the case management is scheduled on 4 September 2013.

The directors of TSB are Professor Emeritus Dr Azman Bin Awang and Haliza Binti Bidin.

9. Dividend

No dividend has been recommended or declared for the current quarter and for the interim financial period under review.

**PART B: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)**

10. Loss Per Share

The basic and diluted loss per share have been calculated based on the consolidated net loss attributable to equity holders of the parent for the interim financial period and the weighted average number of ordinary shares outstanding during the period as follows:

Basic and diluted loss per share

	3 Months Ended		Year-To-Date Ended	
	30/06/13	30/06/12	30/06/13	31/06/12
	RM'000	RM'000	RM'000	RM'000
Loss attributable to equity holders of the Parent Company	(761)	(2,820)	(2,311)	(5,159)
Weighted average number of ordinary shares, excluding treasury shares	118,233,060	70,099,357	118,233,060	70,099,357
Basic and diluted loss per share (sen)	(0.64)	(4.02)	(1.95)	(7.36)

11. Loss Before Tax

	30/06/13	30/06/12
	RM'000	RM'000
Depreciation and amortization	205	328
Unrealized foreign exchange gain	(9)	(4)
Gain on disposal of property, plant and equipment	-	(24)
Interest income	(44)	(28)
Interest expense	-	61
Reversal of allowance for impairment	(8)	-

**PART B: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2013 (CONTD.)**

12. Disclosure of Realised and Unrealised Losses

Pursuant to the directive, the breakdown of the accumulated losses of the Group as at 30 June 2013, into realised and unrealised accumulated losses is as follows: -

	As at 30/06/13 RM'000	As at 31/12/12 RM'000
Total retained accumulated losses of the Company and its subsidiaries:		
- Realised	(67,748)	(65,428)
- Unrealised	86	77
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	(67,662)	(65,351)
Consolidation adjustments	54,945	54,945
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Total Group accumulated losses as per consolidated accounts	(12,717)	(10,406)