

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2012**  
(The figures have not been audited)

	Note	Quarter ended 30.06.12 RM'000	Quarter ended 30.06.11 RM'000 (#)	Year to date 30.06.12 RM'000	Year to date 30.06.11 RM'000 (#)
Revenue	<b>17</b>	40,499	41,328	40,499	41,328
Operating expenses		(39,156)	(38,823)	(39,156)	(38,823)
Other income		168	595	168	595
<b>Operating profit</b>		<u>1,511</u>	<u>3,100</u>	<u>1,511</u>	<u>3,100</u>
Finance costs		(1,149)	(1,248)	(1,149)	(1,248)
Profit after finance costs		<u>362</u>	<u>1,852</u>	<u>362</u>	<u>1,852</u>
Share of profit/(loss) from an associate company		19	-	19	-
<b>Profit before taxation</b>	<b>18</b>	<u>381</u>	<u>1,852</u>	<u>381</u>	<u>1,852</u>
Taxation	<b>19</b>	13	(132)	13	(132)
<b>Profit for the period from continuing operations</b>		<u>394</u>	<u>1,720</u>	<u>394</u>	<u>1,720</u>
<b>Discontinued operations</b>					
Profit for the period from discontinued operations		-	145	-	145
		<u>394</u>	<u>1,865</u>	<u>394</u>	<u>1,865</u>
<b>Other comprehensive income</b>					
Foreign currency translation differences on foreign operations		(1)	27	(1)	27
<b>Total comprehensive income for the period</b>		<u><u>393</u></u>	<u><u>1,892</u></u>	<u><u>393</u></u>	<u><u>1,892</u></u>
Attributable to :					
Owners of the Parent					
- Continuing operations		488	1,634	488	1,634
- Discontinued operations		-	145	-	145
		<u>488</u>	<u>1,779</u>	<u>488</u>	<u>1,779</u>
Non-controlling interests		(94)	86	(94)	86
<b>Profit for the period</b>		<u>394</u>	<u>1,865</u>	<u>394</u>	<u>1,865</u>
Attributable to :					
Owners of the Parent					
- Continuing operations		487	1,661	487	1,661
- Discontinued operations		-	145	-	145
		<u>487</u>	<u>1,806</u>	<u>487</u>	<u>1,806</u>
Non-controlling interests		(94)	86	(94)	86
<b>Total comprehensive income for the period</b>		<u><u>393</u></u>	<u><u>1,892</u></u>	<u><u>393</u></u>	<u><u>1,892</u></u>
<b>Earnings per share attributable to owners of the parent (Sen)</b>	<b>25</b>				
- Basic, profit from continuing operations		0.35	1.18	0.35	1.18
- Basic, profit from discontinued operations		-	0.11	-	0.11
		<u>0.35</u>	<u>1.29</u>	<u>0.35</u>	<u>1.29</u>
Diluted earnings per share (sen)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes:

(#) Certain figure has been restated to conform to audited financial statements ended 31 March 2012.

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

**BOON KOON GROUP BERHAD**  
**Company No. 553434-U**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2012**  
**(The figures have not been audited)**

		(Restated)
	As At	As At
	30.06.12	31.03.12
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	53,435	54,075
Goodwill	21	21
Investment in an associate company	1,495	1,476
Deferred tax assets	1,950	1,950
	<u>56,901</u>	<u>57,522</u>
<b>Current assets</b>		
Inventories	70,536	67,354
Trade receivables	38,126	35,460
Other receivables, deposits and prepayments	4,916	6,011
Derivative financial assets	6	-
Tax recoverable	948	616
Cash and bank balances	21 11,680	13,188
	<u>126,212</u>	<u>122,629</u>
<b>TOTAL ASSETS</b>	<u><b>183,113</b></u>	<u><b>180,151</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	69,188	69,188
Exchange translation reserve	4	5
Accumulated losses	22 (17,268)	(17,756)
	<u>51,924</u>	<u>51,437</u>
Non-controlling interest	10,847	10,941
<b>Total equity</b>	<u>62,771</u>	<u>62,378</u>
<b>Non-current liabilities</b>		
Borrowings	23 5,983	6,752
Deferred tax liabilities	1,168	1,186
	<u>7,151</u>	<u>7,938</u>
<b>Current liabilities</b>		
Trade payables	13,691	10,372
Other payables and accruals	10,265	7,171
Borrowings	23 89,176	92,042
Derivative financial liabilities	-	191
Provision for taxation	59	59
	<u>113,191</u>	<u>109,835</u>
<b>Total liabilities</b>	<u>120,342</u>	<u>117,773</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>183,113</b></u>	<u><b>180,151</b></u>
<b>Net assets per share attributable to owners of the Parent (RM)</b>	0.38	0.37

Notes:

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2012**  
**(The figures have not been audited)**

	----Attributable to Owners of the Parent----					Total Equity RM'000	
	Share Capital RM'000	Non- Distributable		Accumulated Losses RM'000	Total RM'000		Non-controlling interests RM'000
		Exchange Translation Reserve RM'000	Distributable				
<u>3 months period ended 30 June 2011</u>							
At 1 April 2011 (as previously stated)	69,188	741	(23,838)	46,091	10,406	56,497	
Adjustment for MFRS 1	-	(741)	741	-	-	-	
At 1 April 2011 (as restated)	69,188	-	(23,097)	46,091	10,406	56,497	
Total comprehensive income for the period	-	27	1,779	1,806	86	1,892	
At 30 June 2011	69,188	27	(21,318)	47,897	10,492	58,389	
<u>3 months period ended 30 June 2012</u>							
At 1 April 2012 (as previously stated)	69,188	746	(18,497)	51,437	10,941	62,378	
Adjustment for MFRS 1	-	(741)	741	-	-	-	
At 1 April 2012 (as restated)	69,188	5	(17,756)	51,437	10,941	62,378	
Total comprehensive income for the period	-	(1)	488	487	(94)	393	
At 30 June 2012	69,188	4	(17,268)	51,924	10,847	62,771	

Notes:

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

**BOON KOON GROUP BERHAD**  
**Company No. 553434-U**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2012**  
**(The figures have not been audited)**

	Year to date 30.06.12 RM'000	Year to date 30.06.11 RM'000
Profit before taxation		
- Continuing operations	381	1,852
- Discontinued operations	-	178
	<u>381</u>	<u>2,030</u>
Adjustments for :		
Amortisation of IMTN issuance expenses	25	25
Bad debts	-	92
Depreciation	1,355	1,888
Fair value gain on derivative financial instrument	(198)	(149)
Gain on disposal of non-current assets held for sale	-	(37)
Gain on disposal of property, plant and equipment	-	(181)
Impairment loss on receivables	-	5
Interest expense	1,149	1,401
Interest income	(35)	(783)
Property, plant and equipment written off	1	2
Share of results of an associate	(19)	-
Unrealised loss on foreign exchange	563	180
Operating profit before changes in working capital	<u>3,222</u>	<u>4,473</u>
Changes in working capital		
Changes in inventories	(3,094)	(345)
Changes in trade and other receivables	(1,523)	(8,873)
Changes in trade and other payables	6,392	6,949
Interest paid	(1,149)	(1,401)
Interest received	-	759
Income tax paid	(314)	(147)
Net cash flows from operating activities	<u>3,534</u>	<u>1,415</u>
Investing activities		
Interest received	35	-
Cash flow from acquisition of subsidiary	-	21
Proceeds from disposal of property, plant and equipment	-	276
Proceeds from disposal of non-current assets held for sale	-	1,808
Purchase of property, plant and equipment	(802)	(2,841)
Net cash flows used in investing activities	<u>(767)</u>	<u>(736)</u>
Financing activities		
Placement/(withdrawal) of short-term deposits	575	483
Repayment of borrowings	(5,546)	(3,605)
Proceeds from borrowings	1,374	1,249
Net cash flows used in financing activities	<u>(3,597)</u>	<u>(1,873)</u>
Net (decrease)/increase in cash and cash equivalents	(830)	(1,194)
Effects of changes in exchange rates	(2)	(3)
Cash and cash equivalents at beginning of the period	12,350	25,430
Cash and cash equivalents at end of the period	<u>11,518</u>	<u>24,233</u>
Represented by :		
Cash and cash equivalents	11,518	25,158
Bank overdrafts	-	(925)
	<u>11,518</u>	<u>24,233</u>

Notes :

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

**Notes to the Interim Financial Statements for the first quarter ended 30 June 2012**

**1. Basis of Preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134 : Interim Financial Reporting issued by Malaysian Accounting Standard Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The Interim Financial Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2012.

The Group has adopted the MFRS framework issued by the MASB with effect from 1 April 2012. This MFRS framework was introduced in order to fully converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standard Board. Whilst all FRSs issued under the previous FRS framework were equivalent to the MFRSs issued under MFRS framework. There are some differences in relation to the transitional provisions and effective dates contained in certain of the FRSs. The financial effects of convergence to the MFRS framework and any consequential changes in accounting policies as a result of the convergence are discussed in Note 2.1 Adoption of Malaysian Financial Reporting Standards (MFRS).

**2. Changes in Accounting Policies**

The significant accounting policies, methods of computation and basis of consolidation adopted by the Group in preparing the interim financial statements are consistent with those adopted in the annual audited financial statements for the year ended 31 March 2012 except for the adoption of the following new MFRSs and IC Interpretations :-

MFRS 1	First-time Adoption of Malaysian Financial Reporting
MFRS 2	Share-based Payment
MFRS 3	Business Combinations
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations
MFRS 7	Financial Instruments : Disclosures
MFRS 8	Operating Segments
MFRS 101	Presentations of Financial Statements
MFRS 102	Inventories
MFRS 107	Statements of Cash Flows
MFRS 108	Accounting Policies, Changes in Accounting Estimates and
MFRS 110	Events after the Reporting Period
MFRS 112	Income Taxes
MFRS 116	Property, Plant and Equipment
MFRS 117	Leases
MFRS 118	Revenue
MFRS 119	Employee Benefits
MFRS 121	The Effects of Changes in Foreign Exchange Rates
MFRS 123	Borrowing Costs
MFRS 124	Related Party Disclosures
MFRS 127	Consolidated and Separate Financial Statements
MFRS 128	Investments in Associates
MFRS 131	Interests in Joint Ventures
MFRS 132	Financial Instruments : Presentations
MFRS 133	Earnings Per Share
MFRS 134	Interim Financial Reporting
MFRS 136	Impairment of Assets
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
MFRS 138	Intangible Assets
MFRS 139	Financial Instruments : Recognition and Measurement
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
IC Interpretation 115	Operating Leases - Incentives
IC Interpretation 127	Evaluating the Substance of Transactions Involving the Legal Form of a Lease

**Notes to the Interim Financial Statements for the first quarter ended 30 June 2012**

**2.1 Adoption of Malaysian Financial Reporting Standards (MFRS)**

The audited financial statements of the Group for the year ended 31 March 2012 were prepared in accordance with Financial Reporting Standards (FRSs). As the requirements under FRS and MFRS are similar, the significant accounting policies and method of computation adopted in these quarterly interim financial reports are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 March 2012 except as discussed below :

**(a) Foreign currency translation reserve**

Under FRS, the Group recognised translation differences on foreign operations as a separate component of equity. MFRS 1 provides the optional exemption that cumulative foreign currency translation differences for all foreign operations are deemed to be zero as at the date of transition to MFRS.

Accordingly, at the date of transition to MFRS, the cumulative foreign currency translation differences of RM741,044.36 were adjusted to retained earnings.

The effect of the adoption of MFRS on the consolidated statement of financial position are as follows :

	As previously stated RM'000	Effect of adoption of MFRS RM'000	As restated RM'000
<u>Statement of Financial Position as at 1 Apr 2011</u>			
Exchange translation reserve	741	(741)	-
Accumulated losses	(23,838)	741	(23,097)
<u>Statement of Financial Position as at 31 Mar 2012</u>			
Exchange translation reserve	746	(741)	5
Accumulated losses	(18,497)	741	(17,756)

**2.2 MFRS, Amendments to MFRSs and IC Interpretation Issued But Not Yet Effective**

At the date of authorization of these financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group :

	<u>Effective Date</u>	
MFRS 9	Financial Instruments	1 January 2015
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interest in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits	1 January 2013
MFRS 127	Separate Financial Statements	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 1	(Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 3	Business Combinations (IFRS 3 <i>Business Combinations</i> issued by IASB in March 2004)	1 January 2013
Amendments to MFRS 7	Disclosure-Offsetting Financial Assets and Financial	1 January 2013
Amendments to MFRS 10, MFRS 11, MFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities : Transition Guidance	1 January 2013
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS 101	(Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 116	(Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 119	Employee Benefits (IAS 19 as amended by IASB in June	1 January 2013
Amendments to MFRS 127	Separate Financial Statements (IAS 27 as emended by IASB in May 2011)	1 January 2013
Amendments to MFRS 128	Investment in Associates (IAS 28 as amended by IASB in May 2011)	1 January 2013
Amendments to MFRS 132	(Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 134	(Annual Improvements 2009-2011 Cycle)	1 January 2013

**Notes to the Interim Financial Statements for the first quarter ended 30 June 2012**

**3. Audit Report**

The auditors' report on the financial statements for the year ended 31 March 2012 was not qualified.

**4. Seasonality or Cyclicity**

The Group's performance is not significantly affected by any seasonal or cyclical factor for the financial period under review.

**5. Exceptional Items**

There were no exceptional items for the financial period under review.

**6. Estimates**

There were no material changes in the estimates for the financial period under review.

**7. Issuance or Repayment of Debt/Equity Securities**

There were no issuance of debt/equity securities for the financial period under review.

**8. Dividends**

No dividend have been declared or paid for the financial period under review.

**9. Valuation of Property, Plant and Equipment**

There were no changes in the valuation of property, plant and equipment for the financial period under review.

**10. Subsequent Events**

There are no material events subsequent to the end of the financial period under review that have not been reflected in the quarterly financial statements.

**11. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the financial period under review.

**12. Contingent Liabilities**

Corporate guarantee extended by the Group to banks for credit facilities granted to subsidiaries as at the end of the current quarter under review are as follows :-

	As At 30.06.12 RM'000	As At 31.03.12 RM'000
- Limit	<u>72,745</u>	<u>76,202</u>
- Utilised	<u>68,604</u>	<u>69,684</u>

**13. Capital Commitments**

There is no outstanding capital commitments at the end of the current quarter under review.

**14. Profit Forecast Variance**

Not applicable

**15. Corporate Proposals**

There were no corporate proposals announced but not yet completed by the Group for the financial period under review.

**Notes to the Interim Financial Statements for the first quarter ended 30 June 2012**

**16. Related Party Transactions**

There were no related party transactions during the current quarter under review except as follows :-

	Quarter ended 30.06.12 RM'000	Year to date 30.06.12 RM'000
Rental expense paid to other related party*	(31)	(31)
Insurance premium paid to an associate	(4)	(4)
Management fee received from an associate	69	69
Hire purchase interest paid to an associate	(39)	(39)

\* Being corporations in which certain directors of the Company have financial interest.

**17. Detailed Analysis of Performance**

Segmental information is presented in respect of the Group's business segments.

The Group comprises the following main business segments :

- |   |  |
|---|--|
| (a) Commercial vehicles, forklifts, heavy machineries and bodyworks | Manufacturing and trading of rebuilt commercial vehicles, reconditioned forklifts, heavy machineries and the manufacture of bodyworks and their related services |
| (b) Rental and fleet management services                            | Rental of commercial vehicles, provision of fleet management and other related services  |
| (c) Others  | Investment holding and the provision of management services  |
| (d) Insurance and financing (Discontinued)                          | Insurance agent, provision of hire purchase financing and its related services   |

	Quarter ended 31.03.12 RM'000	Quarter ended 30.06.12 RM'000	Quarter ended 30.06.11 RM'000	Year to date 30.06.12 RM'000	Year to date 30.06.11 RM'000
Revenue					
<b>Continuing operations</b>					
(a) Commercial vehicles, forklifts, heavy machineries and bodyworks	28,489	38,182	40,663	38,182	40,663
(b) Rental and fleet management services	3,750	3,337	3,687	3,337	3,687
(c) Others	629	554	735	554	735
	<u>32,868</u>	<u>42,073</u>	<u>45,085</u>	<u>42,073</u>	<u>45,085</u>
Less : Elimination	<u>(2,655)</u>	<u>(1,574)</u>	<u>(3,757)</u>	<u>(1,574)</u>	<u>(3,757)</u>
	30,213	40,499	41,328	40,499	41,328
<b>Discontinued operations</b>					
(d) Insurance and financing (Discontinued)	-	-	724	-	724
<b>Total</b>	<u>30,213</u>	<u>40,499</u>	<u>42,052</u>	<u>40,499</u>	<u>42,052</u>



**Notes to the Interim Financial Statements for the first quarter ended 30 June 2012**

	Quarter ended 31.03.12 RM'000	Quarter ended 30.06.12 RM'000	Quarter ended 30.06.11 RM'000	Year to date 30.06.12 RM'000	Year to date 30.06.11 RM'000
Profit/(Loss) before taxation					
<b>Continuing operations</b>					
(a) Commercial vehicles, forklifts, heavy machineries and bodyworks	(135)	1,279	2,606	1,279	2,606
(b) Rental and fleet management services	(1,240)	(6)	439	(6)	439
(c) Others	259	(690)	(683)	(690)	(683)
	<u>(1,116)</u>	<u>583</u>	<u>2,362</u>	<u>583</u>	<u>2,362</u>
Less : Elimination	<u>(572)</u>	<u>(221)</u>	<u>(510)</u>	<u>(221)</u>	<u>(510)</u>
	<u>(1,688)</u>	<u>362</u>	<u>1,852</u>	<u>362</u>	<u>1,852</u>
Share of profit from an associate	<u>25</u>	<u>19</u>	<u>-</u>	<u>19</u>	<u>-</u>
	<u>(1,663)</u>	<u>381</u>	<u>1,852</u>	<u>381</u>	<u>1,852</u>
<b>Discontinued operations</b>					
(d) Insurance and financing (Discontinued)	-	-	178	-	178
<b>Total</b>	<u>(1,663)</u>	<u>381</u>	<u>2,030</u>	<u>381</u>	<u>2,030</u>

Comparison with corresponding period in the previous year

(a) For commercial vehicles, forklifts, heavy machineries and bodyworks segment, the total revenue for the current quarter was RM38.2 million, a decrease of 6.1% compared to RM40.7 million in the previous year's corresponding quarter. Increase in raw material prices due to higher exchange rate in Japanese Yen and lower other income had resulted in the lower profit for the current quarter under review.

(b) For rental and fleet management services segment, total revenue for the current quarter was RM3.3 million, a decrease of 9.5% compared to RM3.7 million in the previous year's corresponding quarter. Lower revenue and lower other income had resulted lower profit in the current quarter.

(c) Other segment refers to BKG company level operation. Total revenue for the current quarter was RM0.5 million, a decrease of 24.6% compared to RM0.7 million in the preceding quarter and this had resulted in the increase of the pre-tax loss compared to the previous year's corresponding quarter.

(d) For insurance and financing segment, there was no revenue and profit before tax recorded for the current quarter as First Peninsula Credit Sdn Bhd had ceased to be the subsidiary of BKG on 30 November 2011.

Comparison with preceding quarter

(a) For commercial vehicles, forklifts, heavy machineries and bodyworks segment, the total revenue for the current quarter was RM38.2 million, an increase of 34.0% compared to RM28.5 million in the preceding quarter. Higher demand for commercial vehicles had resulted in higher revenue which eventually posted higher profit before tax for the current quarter under review.

(b) For rental and fleet management services segment, total revenue had decreased by approximately 11.0% to RM3.3 million from RM3.7 million recorded in the preceding quarter. Profit before taxation increased by RM1.2 million mainly due to higher impairment loss on receivables provided in the preceding quarter.

(c) For segment classified as Others, total revenue for the current quarters was RM0.5 million, a decrease of 11.7% compared to RM0.6 million in the preceding quarter. Higher pre-tax loss in the current quarter was mainly due to the absence of extraordinary item (the recognition of profit on disposal of subsidiary).

(d) For insurance and financing segment, there was no revenue and profit before tax recorded for the current quarter as First Peninsula Credit Sdn Bhd had ceased to be the subsidiary of BKG on 30 November 2011.

**Notes to the Interim Financial Statements for the first quarter ended 30 June 2012**

**18. Profit Before Taxation**

This is arrived at :	Quarter ended 30.06.12 RM'000	Year to date 30.06.12 RM'000
After charging :		
Amortisation of commercial papers issuance expenses	25	25
Depreciation	1,355	1,355
Interest expenses	1,149	1,149
Property, plant and equipment written off	1	1
Realised loss on foreign exchange	39	39
Unrealised loss on foreign exchange	563	563
And crediting :		
Fair value gain on derivative financial instrument	198	198
Bad debts recovered	4	4
Interest income	35	35

**19. Taxation**

	Quarter ended 30.06.12 RM'000	Year to date 30.06.12 RM'000
Malaysian taxation based on profit for the period:		
-Current tax	(5)	(5)
-Deferred tax	18	18
	<u>13</u>	<u>13</u>

The Group's effective tax rate for the financial period under review is lower than statutory tax rate. These are mainly due to utilisation of unabsorbed tax losses and capital allowance brought forward for certain subsidiaries.

**20. Commentary of Prospects**

The uncertainty of global economics and the stringent government policy on registration of commercial vehicles remain a challenge to the Group. However, the Group will continue its efforts to improve its operational efficiency and maintain its competitiveness in the market.

**21. Cash and Bank Balances**

	As At 30.06.12 RM'000	As At 31.03.12 RM'000
Cash and cash equivalents	11,518	12,451
Pledged fixed deposits and short-term deposits with licensed bank	162	737
	<u>11,680</u>	<u>13,188</u>

**22. Realised and Unrealised Profits or Losses**

The Group's total accumulated losses as at 30 June 2012 is as follows:-	As At 30.06.12 RM'000	(Restated) As At 31.03.12 RM'000
Total accumulated losses		
- Realised	(6,990)	(7,704)
- Unrealised	412	772
	<u>(6,578)</u>	<u>(6,932)</u>
Total share of gain/(loss) of associate		
- Realised	19	(206)
- Unrealised	-	-
	<u>(6,559)</u>	<u>(7,138)</u>
Less Consolidation adjustments	<u>(10,709)</u>	<u>(10,618)</u>
Total accumulated losses as per consolidated accounts	<u><u>(17,268)</u></u>	<u><u>(17,756)</u></u>

**Notes to the Interim Financial Statements for the first quarter ended 30 June 2012**

**23. Group Borrowings and Debt Securities**

Group borrowings as at 30 Jun 2012 are as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Current liabilities</u>			
Islamic Medium Term Notes	25,000	-	25,000
Bank overdrafts	-	-	-
Bankers acceptance / Trade loans	49,039	7,170	56,209
Finance lease liabilities	6,167 *	-	6,167
Term loan	1,800	-	1,800
Sub-total	<u>82,006</u>	<u>7,170</u>	<u>89,176</u>
<u>Non-current liabilities</u>			
Term loan	1,730	-	1,730
Finance lease liabilities	4,253 *	-	4,253
Sub-total	<u>5,983</u>	<u>-</u>	<u>5,983</u>
Total	<u>87,989</u>	<u>7,170</u>	<u>95,159</u>

\* Included herein is an amount of RM2.88 million obtained from First Peninsula Credit Sdn. Bhd., an associate of the Group.

All the above borrowings are denominated in Malaysia Ringgit except for trade loans amounting to RM7.2 million which are denominated in Japanese Yen.

**24. Material Litigation**

There were no material litigation for the financial period under review.

**25. Basis of Calculation of Earnings Per Share Attributable to Owners of the Parent**

The basic earnings per share for the current quarter and cumulative year to date are computed as follows:-

	Quarter ended 30.06.12	Year to date 30.06.12
Profit for the period attributable to the owners of the Parent (RM'000)	<u>488</u>	<u>488</u>
Weighted average number of ordinary shares of RM0.50 each in issue (units'000)	<u>138,375</u>	<u>138,375</u>
Basic Profit Per Share based on weighted average number of ordinary shares of RM0.50 each in issue (sen)	<u>0.35</u>	<u>0.35</u>

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the current year quarter and current year to date.

Date : 29 Aug 2012