

**TAMCO CORPORATE HOLDINGS BERHAD**

(Incorporated in Malaysia)

(Company No : 6614-W)

**CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE FINANCIAL QUARTER ENDED 31 AUGUST 2009***THE FIGURES HAVE NOT BEEN AUDITED*

	Individual Quarter		Cumulative 3 months ended	
	31.08.2009	31.08.2008	31.08.2009	31.08.2008
	RM'000	RM'000	RM'000	RM'000
Revenue	10,687	15,321	10,687	15,321
Cost of sales	(7,963)	(11,545)	(7,963)	(11,545)
Gross profit	2,723	3,776	2,723	3,776
Other income	84	1,683	84	1,683
Selling and distribution expenses	(1,634)	(1,779)	(1,634)	(1,779)
Administrative expenses	(1,172)	(2,535)	(1,172)	(2,535)
Other expenses	(70)	(39)	(70)	(39)
(Loss) / profit from operations	(68)	1,106	(68)	1,106
Finance costs	(236)	(953)	(236)	(953)
(Loss) / profit after finance costs	(304)	153	(304)	153
Taxation	(74)	(342)	(74)	(342)
Net loss for the quarter	(378)	(189)	(378)	(189)
<b>Attributable to:</b>				
Shareholders of the parent	(378)	(189)	(378)	(189)
	(378)	(189)	(378)	(189)
<b>Loss per share attributable to shareholders of the parent (sen):</b>				
- Basic	(0.15)	(0.07)	(0.15)	(0.07)
- Diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statements should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2009 and the accompanying notes to the Interim Financial Report.

**TAMCO CORPORATE HOLDINGS BERHAD**

(Incorporated in Malaysia)

(Company No : 6614-W)

**CONDENSED CONSOLIDATED BALANCE SHEET****AS AT 31 AUGUST 2009**

	<b>31.08.2009</b>	<b>31.05.2009</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Non-current assets</b>		
Property, plant and equipment	5,126	5,149
Prepaid lease payments	9,682	9,726
Investment in associates	4,128	4,128
Intangible assets	375	383
Deferred tax assets	383	383
	<u>19,693</u>	<u>19,769</u>
<b>Current assets</b>		
Inventories	9,779	9,729
Trade receivables	13,670	16,059
Other receivables	1,333	982
Tax recoverable	8	8
Short term deposits with licensed banks	4,270	2,758
Cash and bank balances	10,726	11,843
	<u>39,786</u>	<u>41,379</u>
<b>TOTAL ASSETS</b>	<u>59,479</u>	<u>61,148</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	51,898	51,898
Translation reserve	(3,342)	(3,176)
Retained profits	(19,649)	(19,271)
<b>Total equity</b>	<u>28,907</u>	<u>29,451</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	87	66
Borrowings	-	84
	<u>87</u>	<u>150</u>
<b>Current liabilities</b>		
Trade payables	11,358	10,265
Other payables	4,119	5,775
Amount due to immediate holding company	10,329	10,114
Amount due to associates	123	123
Borrowings	3,811	4,565
Provision for taxation	746	705
	<u>30,485</u>	<u>31,547</u>
<b>Total liabilities</b>	<u>30,572</u>	<u>31,697</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>59,479</u>	<u>61,148</u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2009 and the accompanying notes to the Interim Financial Report.

# TAMCO CORPORATE HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No : 6614-W)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL QUARTER ENDED 31 AUGUST 2009

THE FIGURES HAVE NOT BEEN AUDITED

	Attributable to Equity Holders of the Parent					Total Equity RM'000
	Share capital RM'000	Non- distributable Translation reserve RM'000	Distributable Retained profits RM'000	Total RM'000	Minority Interests RM'000	
<b>Financial quarter ended 31 August 2009</b>						
Balance as at 1 June 2009	51,898	(3,176)	(19,271)	<b>29,451</b>	-	<b>29,451</b>
Currency translation differences, representing net loss recognised directly in equity	-	(166)	-	<b>(166)</b>	-	<b>(166)</b>
Net loss for the financial period	-	-	(378)	<b>(378)</b>	-	<b>(378)</b>
Total recognised income and expenses for the financial period	-	(166)	(378)	<b>(544)</b>	-	<b>(544)</b>
Balance as at 31 August 2009	51,898	(3,342)	(19,649)	<b>28,907</b>	-	<b>28,907</b>

### Financial quarter ended 31 August 2008

Balance as at 1 June 2008	129,744	(2,517)	6,784	<b>134,011</b>	125	<b>134,136</b>
Currency translation differences, representing net loss recognised directly in equity	-	(266)	-	<b>(266)</b>	-	<b>(266)</b>
Net loss for the financial period	-	-	(189)	<b>(189)</b>	(125)	<b>(314)</b>
Total recognised income and expenses for the financial period	-	(266)	(189)	<b>(455)</b>	(125)	<b>(580)</b>
Balance as at 31 August 2008	129,744	(2,783)	6,595	133,556	-	133,556

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 2009 and the accompanying notes to the Interim Financial Report.

**TAMCO CORPORATE HOLDINGS BERHAD**

(Incorporated in Malaysia)

(Company No : 6614-W)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL QUARTER ENDED 31 AUGUST 2009***THE FIGURES HAVE NOT BEEN AUDITED*

	Cumulative 3 months ended	
	31.08.2009 RM'000	31.08.2008 RM'000
<b>Cash flow from operating activities</b>		
(Loss) / profit before taxation:	(304)	153
Adjustments for:		
Depreciation of property, plant and equipment	127	302
Amortisation of prepaid lease payments	42	44
Amortisation of development expenditure	8	8
Deferred tax liabilities	21	-
Interest expense	236	952
Interest income	-	(1,233)
Loss on disposal of Property, plant and equipment	2	-
Loss on foreign exchange	-	(71)
Operating profit before working capital changes	133	155
Inventories	(50)	619
Receivables	2,038	1,948
Payables	(789)	(7,597)
Holding, subsidiaries and related companies	215	62
Cash generated from / (used in) operations	1,547	(4,813)
Income taxes paid	(32)	(30)
Net cash generated from / (used in) operating activities	1,514	(4,843)
<b>Cash flow from investing activities</b>		
Interest received	-	1,233
Purchase of property, plant and equipment	(106)	(58)
Net cash (used in) / generated from investing activities	(106)	1,175
<b>Cash flow from financing activities</b>		
Interest paid	(236)	(952)
Repayment of Bai' Bithaman Ajil Serial Bonds	-	(61,740)
(Repayment)/drawdown of hire purchase and finance lease	(65)	(456)
Drawdown of bank borrowings	(527)	(1,659)
Net cash used in financing activities	(827)	(64,807)

**TAMCO CORPORATE HOLDINGS BERHAD**

(Incorporated in Malaysia)

(Company No : 6614-W)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL QUARTER ENDED 31 AUGUST 2009****(continued)***THE FIGURES HAVE NOT BEEN AUDITED*

	Cumulative 3 months ended	
	31.08.2009	31.08.2008
	RM'000	RM'000
<b>Net change in cash and cash equivalents</b>	580	(68,475)
<b>Cash and cash equivalents at beginning of financial period</b>	13,720	162,902
<b>Effects of exchange rate changes</b>	(166)	96
<b>Cash and cash equivalents at end of financial period</b>	<u>14,134</u>	<u>94,523</u>
<b>The cash and cash equivalents comprise:</b>		
Cash and bank balances	10,726	86,105
Short term deposits with licensed banks	4,270	9,530
Bank overdrafts	(862)	(1,112)
	<u>14,134</u>	<u>94,523</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 2009 and the accompanying notes to the Interim Financial Report.

# TAMCO CORPORATE HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No : 6614-W)

## NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 AUGUST 2009

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

#### 1 Basis of preparation

The Interim Financial Report of Tamco Corporate Holdings Berhad ("Tamco") and its subsidiaries ("Group") is unaudited and has been prepared in accordance with the Financial Reporting Standards ("FRS") 134: Interim Financial Reporting and Rule 9.22(b) of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market ("ACE 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 2009. 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 2009.

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 2009 except for the adoption of the following new/revised FRS:

FRSs, Amendments to FRSs and Interpretations		Effective for financial periods beginning on or after
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 101	Presentation of Financial Statements	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2010
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2010
Amendments to FRS 7	Financial Instruments: Disclosures	1 January 2010
Amendments to FRS 8	Operating Segments	1 January 2010
Amendments to FRS 107	Statement of Cash Flows	1 January 2010
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendments to FRS 110	Events after the Reporting Period	1 January 2010
Amendments to FRS 116	Property, Plant and Equipment	1 January 2010
Amendments to FRS 117	Leases	1 January 2010
Amendments to FRS 118	Revenue	1 January 2010

<b>FRSs, Amendments to FRSs and Interpretations</b>		<b>Effective for financial periods beginning on or after</b>
Amendment to FRS 119	Employee Benefits	1 January 2010
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2010
Amendment to FRS 123	Borrowing Costs	1 January 2010
Amendment to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendment to FRS 128	Investments in Associates	1 January 2010
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendment to FRS 131	Interest in Joint Ventures	1 January 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendment to FRS 134	Interim Financial Reporting	1 January 2010
Amendment to FRS 136	Impairment of Assets	1 January 2010
Amendment to FRS 138	Intangible Assets	1 January 2010
Amendment to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendment to FRS 140	Investment Property	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
Amendment to IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010

The adoption of the FRSs, Amendments to FRSs and Interpretations upon their effective dates are not expected to have any significant impact on the financial statements of the Group. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon its initial application of FRS7 and FRS139.

## **2 Changes in accounting policies**

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 2009.

## **3 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 2009.

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

During the financial quarter ended 31 August 2009, the operations of the Group were not significantly affected by any seasonal and cyclical factors.

**Tamco Corporate Holdings Berhad (6614-W)**

Notes to the Interim Financial Report for the financial quarter ended 31 August 2009

**5 Items of unusual nature and amount**

During the financial quarter ended 31 August 2009, 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.

**6 Changes in estimates**

There were no changes in estimates that have a material effect on the results for the financial quarter ended 31 August 2009.

**7 Debt and equity securities**

There were no issuances, cancellations, repurchases and resale of debt securities and equity securities during the financial quarter ended 31 August 2009.

**8 Dividends paid**

There was no dividend paid during the financial quarter ended 31 August 2009.

**9 Segmental information**

The consolidated result of the Group for the financial quarter ended 31 August 2009, analysed by business segment, are as follow:

	Continuing operations		Discontinued operations		Consolidated
	Investment Holding	System integration & trading	Switchgear	Elimination	
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Financial period ended</u>					
<u>31-Aug-09</u>					
External sales	-	10,687	-	-	10,687
Inter-segment sales	-	-	-	-	-
Total revenue	-	10,687	-	-	10,687
Segment results	(635)	567	-	-	(68)
Finance costs					(236)
Loss before taxation					(304)
Taxation					(74)
Net loss attributable to shareholders					(378)



**9 Segmental information (Cont'd)**

	Continuing operations		Discontinued operations		Consolidated RM'000
	Investment Holding RM'000	System integration & trading RM'000	Switchgear RM'000	Elimination RM'000	
<u>Financial period ended</u>					
<u>31-Aug-08</u>					
External sales	-	15,321	-	-	15,321
Inter-segment sales	-	-	-	-	-
Total revenue	-	15,321	-	-	15,321
Segment results	(954)	827	-	-	(127)
Finance costs					(953)
Interest income					1,233
Profit before taxation					153
Taxation					(342)
Net loss attributable to shareholders					(189)

**10 Carrying amount of revalued assets**

The valuations of property, plant and equipment have been brought forward, without amendments, from the Group's Audited Financial Statements for the financial year ended 31 May 2009.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

**11 Subsequent events**

The trading in securities of Tamco was suspended with effect from 10 September 2009 pursuant to paragraph 2.1 of Guidance Note 20 of the ACE Market Listing Requirements and Rule 8.16(4) of the Listing Requirements of Bursa Securities for the ACE Market until further notice.

Tamco has subsequently submitted the written representation to Bursa Securities on 9 September 2009 together with the steps it intends to take as part of its regularisation plan.

On 8 October 2009, Bursa Securities granted Tamco an extension of time until 30 January 2010 to submit the regularisation plan to Securities Commission and/or other relevant authorities for approval subject to the following conditions:-

- a) Tamco to appoint a sponsor and announce the appointment of sponsor by 16 November 2009; and

**Tamco Corporate Holdings Berhad (6614-W)**

Notes to the Interim Financial Report for the financial quarter ended 31 August 2009

**11 Subsequent events (Cont'd)**

- b) Tamco to make the requisite announcement pursuant to paragraph 3.1(d) of Guidance Note 3/2006 ("GN3") by 16 November 2009.

**12 Changes in composition of the Group**

There were no material changes in the composition of the Group for the financial quarter ended 31 August 2009 up to the date of the Interim Financial Report.

**13 Contingent liabilities**

	<b>Company</b>	
	<b>31-08-2009</b>	<b>31-08-2008</b>
	<b>RM'000</b>	<b>RM'000</b>
Unsecured:		
Guarantees given to financial institutions for facilities granted to a subsidiary	3,000	11,970

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

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

For the quarter ended 31 August 2009, the Group posted RM10.7 million revenue compare to RM15.3 million in the same quarter last financial year. The lower sales in the current quarter were mainly due to the reduction in projects secured by the trading operations. Gross margin however remain almost the same compare to same quarter last financial year.

The Group reported a loss after taxation of RM0.4 million for the quarter compare to a loss after tax of RM0.2 million in the same quarter last financial year. The higher loss after tax in the current quarter is largely attributed to the lower revenue, but mitigated by reduction in tax charge.

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

The Group reported a loss after tax of RM0.4 million compare to a profit after tax of RM0.4 million in the immediate preceding financial quarter. This is mainly due to higher revenue generated and lower expenses incurred in the immediate preceding financial quarter.

**3 Prospects for this financial year**

Barring unforeseen circumstances, the Directors are of the opinion that the Group's trading operations will continue to operate in a satisfactory manner.

The Directors and management will continue to assess and evaluate new business opportunities for the Group to enhance the Group's financial performance in future.

**4 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.

**5 Taxation**

	Individual Quarter		Cumulative 3 months ended	
	31.08.2009 RM'000	31.08.2008 RM'000	31.08.2009 RM'000	31.08.2008 RM'000
<b>Continuing operations</b>				
Income tax:				
Malaysian	74	257	74	257
Over/(under) provision in prior years				
Malaysian	-	70	-	70
Deferred taxation:				
Relating to originating and reversal				
Under provision in prior years	-	15	-	15
	<u>74</u>	<u>342</u>	<u>74</u>	<u>342</u>

**6 Sale of unquoted investments and properties**

There were no disposals of unquoted investments and properties for the current financial quarter ended 31 August 2009 and at the date of this Interim Financial Report.

**7 Quoted securities**

There were no purchases of quoted securities for the financial quarter ended 31 August 2009 and at the date of this Interim Financial Report. As at balance sheet date, the Group has no investment in quoted securities.

**8 Group borrowings**

Group borrowings denominated in their functional currencies are as follows:

	As at 31.08.2009 RM'000	As at 31.08.2008 RM'000
<b>Short term borrowings</b>		
Secured:		
Ringgit Malaysia	256	209
Unsecured:		
Ringgit Malaysia	3,555	4,265
US Dollar	-	6,061
Singapore Dollar	-	221
	<u>3,811</u>	<u>10,756</u>
<b>Long term borrowings</b>		
Secured:		
Ringgit Malaysia	-	209
	<u>-</u>	<u>209</u>
	<u>3,811</u>	<u>10,965</u>

Note: Foreign currencies denominated borrowings are stated at Ringgit Malaysia equivalent as at the reporting dates stated above.

**9 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.

**10 Material litigation**

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

**11 Dividends payable**

The Directors do not propose and pay any dividend for the quarter ended 31 August 2009.

**12 Loss per share**

(a) Basic loss per share

The basic loss per share is calculated by dividing the net loss attributable to the shareholders of the Company by the weighted average number of ordinary shares in issue during the financial period of 259,487,720 (2008 : 259,487,720) shares.

(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.

**BY ORDER OF THE BOARD**

Choo Se Eng  
Stephen Geh Sim Whye  
Secretaries  
Petaling Jaya

27 October 2009