



**EFFICIENT E-SOLUTIONS BERHAD**

(Company No. 632479-H)  
(Incorporated in Malaysia under the Companies Act, 1965)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**FOR THE FIRST QUARTER ENDED**

**31ST MARCH 2009**

**EFFICIENT E-SOLUTIONS BERHAD (Company No. 632479-H)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2009**  
**THE FIGURES HAVE NOT BEEN AUDITED**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2009**

	Individual Quarter		Cumulative Quarter	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
			RM	RM
Revenue	16,363,176	15,168,902	16,363,176	15,168,902
Cost of sales	<u>(8,358,269)</u>	<u>(7,123,270)</u>	<u>(8,358,269)</u>	<u>(7,123,270)</u>
Gross profit	8,004,907	8,045,632	8,004,907	8,045,632
Other income	94,384	11,917	94,384	11,917
Operating expenses	<u>(3,342,188)</u>	<u>(2,668,009)</u>	<u>(3,342,188)</u>	<u>(2,668,009)</u>
Profit from operations	4,757,103	5,389,540	4,757,103	5,389,540
Finance costs	(140,176)	(172,185)	(140,176)	(172,185)
Interest income	21,246	59,997	21,246	59,997
Share of result of associates	<u>(183,166)</u>	<u>(377,441)</u>	<u>(183,166)</u>	<u>(377,441)</u>
Profit before tax	4,455,007	4,899,911	4,455,007	4,899,911
Income tax expense	<u>(299,458)</u>	<u>(595,132)</u>	<u>(299,458)</u>	<u>(595,132)</u>
Profit for the period	<u>4,155,549</u>	<u>4,304,779</u>	<u>4,155,549</u>	<u>4,304,779</u>
Attributable to :				
Equity holders of the parent	4,155,549	4,304,779	4,155,549	4,304,779
Minority Interest	-	-	-	-
	<u>4,155,549</u>	<u>4,304,779</u>	<u>4,155,549</u>	<u>4,304,779</u>
Earnings per share attributable to equity holders of the parent :				
(a) Basic ( sen )	<u>0.63</u>	<u>0.65</u>	<u>0.63</u>	<u>0.65</u>
(b) Diluted ( sen )	<u>NA</u>	<u>0.65</u>	<u>NA</u>	<u>0.65</u>
( The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.)				

**EFFICIENT E-SOLUTIONS BERHAD (Company No. 632479-H)**  
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**CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 MARCH 2009**

	As at 31.03.2009	As at 31.12.2008
	RM	RM
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	47,215,930	47,974,813
Prepaid lease payments	367,667	368,866
Investments in associates	2,088,499	2,271,665
Other investment	1,890,125	1,890,125
Software development expenditure	583,893	627,169
Goodwill arising from consolidation	1,582,719	1,582,719
	<u>53,728,833</u>	<u>54,715,357</u>
<b>Current assets</b>		
Inventories	2,895,846	3,637,819
Trade receivables	21,310,335	19,561,770
Other receivables	7,142,536	12,663,294
Tax recoverable	447,747	350,293
Short term Investment	2,012,156	-
Deposits with licensed banks	10,061,115	6,651,599
Cash and bank balances	6,567,610	2,525,557
	<u>50,437,345</u>	<u>45,390,332</u>
<b>Total assets</b>	<u>104,166,178</u>	<u>100,105,689</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	65,835,010	65,810,010
Share premium	500	-
Retained profits	21,166,021	17,010,472
	<u>87,001,531</u>	<u>82,820,482</u>
<b>Minority Interest</b>	-	-
<b>Total equity</b>	<u>87,001,531</u>	<u>82,820,482</u>
<b>Non-current liabilities</b>		
Bank Borrowings	7,570,936	7,848,755
Deferred tax liabilities	2,386,387	2,386,387
	<u>9,957,323</u>	<u>10,235,142</u>
<b>Current liabilities</b>		
Trade payables	2,970,630	2,043,990
Other payables	3,320,473	4,167,816
Hire purchase creditors	46,341	73,273
Bank borrowings	830,880	745,883
Provision for taxation	39,000	19,103
	<u>7,207,324</u>	<u>7,050,065</u>
<b>Total liabilities</b>	<u>17,164,647</u>	<u>17,285,207</u>
<b>Total equity and liabilities</b>	<u>104,166,178</u>	<u>100,105,689</u>
	-	-

( The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.)

EFFICIENT E-SOLUTIONS BERHAD (Company No. 632479-H)  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2009  
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2009

	Attributable to equity holders of the parent				Total	Minority Interest	Total Equity
	Share Capital	Share Premium	Retained Profits	Reserves			
	RM	RM	RM	RM	RM	RM	RM
<b><u>FINANCIAL PERIOD ENDED 31 MARCH 2008</u></b>							
As at 1 January 2008	32,905,005	3,016,000	32,216,839	-	68,137,844	-	68,137,844
Net profit for the period	-	-	4,304,779	-	4,304,779	-	4,304,779
Dividend paid for the period	-	-	(875)	-	(875)	-	(875)
Total recognised income and expense for the period	-	-	4,303,904	-	4,303,904	-	4,303,904
As at 31 March 2008	32,905,005	3,016,000	36,520,743	-	72,441,748	-	72,441,748
<b><u>FINANCIAL PERIOD ENDED 31 MARCH 2009</u></b>							
As at 1 January 2009	65,810,010	-	17,010,472	-	82,820,482	-	82,820,482
Net profit for the period	-	-	4,155,549	-	4,155,549	-	4,155,549
Dividend paid for the period	-	-	-	-	-	-	-
Total recognised income and expense for the period	-	-	4,155,549	-	4,155,549	-	4,155,549
Issuance of ordinary shares pursuant to ESOS	25,000	500	-	-	25,500	-	25,500
As at 31 March 2009	65,835,010	500	21,166,021	-	87,001,531	-	87,001,531
	-	-	-	-	-	-	-
( The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.)							

**EFFICIENT E-SOLUTIONS BERHAD (Company No. 632479-H)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2009**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2009**

	3 Months Ended	
	31.03.2009	31.03.2008
	RM	RM
Net cash generated from operating activities	10,105,754	9,761,896
Net cash used in investing activities	(307,598)	(8,113,762)
Net cash (used in) / from financing activities	<u>(334,431)</u>	<u>(798,482)</u>
Net change in cash and cash equivalents	9,463,725	849,652
Cash and cash equivalents at beginning of the financial period	8,914,944	18,676,399
Cash and cash equivalents at end of the financial period*	<u><u>18,378,669</u></u>	<u><u>19,526,051</u></u>
*Cash and cash equivalents at end of the financial period comprise the following:-		
Cash and bank balances	6,567,610	3,136,839
Deposits with licensed banks ( Note )	9,798,903	14,337,248
Short term investment	<u>2,012,156</u>	<u>2,051,964</u>
	<u><u>18,378,669</u></u>	<u><u>19,526,051</u></u>
Note :	-	-
The security deposit of RM262,212 which has been pledged to the bank in respect of the banking facilities granted to the group is excluded from the deposits with licensed banks.		
( The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.)		

**EFFICIENT E-SOLUTIONS BERHAD (Company No. 632479-H)**  
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**PART A - EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (FRS) 134**

**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS134 : Interim Financial Reporting and Chapter 9 Part K Para 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2008.

**A2 Auditors' Report on preceding annual financial statements**

The auditors' report on the financial statements for year ended 31 December 2008 was not subject to any qualification.

**A3 Seasonality or cyclicity of interim operations**

The Group's operations are not materially affected by seasonal or cyclical factors during the quarter and financial period under review.

**A4 Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter and financial period under review except as follows:

Included in Balance Sheet's Other receivables as at 31 March 2009 was RM5.8 million ( 31 December 2008 : RM11.2 million ) of advance postage placed with POS Malaysia Berhad for the incentive scheme offered. Gain from the incentive scheme will be recognised upon utilization of the incentive given.

**A5 Material changes in estimates**

There were no changes in estimates that have had a material effect in the current financial period's results.

**A6 Debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter and financial period under review except as follows:

**Employee Share Options Scheme ("ESOS")**

During the financial period ended 31 March 2009, the Company issued 250,000 ordinary shares of RM0.10 each for cash pursuant to the Company's ESOS at exercise price of RM0.102.

**A7 Dividend paid**

No dividend was paid during the financial period ended 31 March 2009.

**A8 Segmental information**

Segmental results for the financial period ended 31 March 2009 are as follows:

<b>Business Segment</b>	<b>Data and Document Processing</b>	<b>Software Development</b>	<b>Forms Printing</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	RM	RM	RM	RM	RM	RM
External sales	11,897,283	4,335,143	130,750	-	-	16,363,176
Inter segment sales	-	652,600	848,696	-	(1,501,296)	-
Total operating revenue	11,897,283	4,987,743	979,446	-	(1,501,296)	16,363,176
						-
Profit/(Loss) from operations	1,476,790	3,361,194	137,106	(217,987)	-	4,757,103
Finance costs						(140,176)
Interest income						21,246
Share of result of associates						(183,166)
Profit before taxation						4,455,007
Income tax expense						(299,458)
Profit for the period						4,155,549
						-

**A9 Valuations of property, plant & equipment**

The Group did not carry out any valuation on its property, plant and equipment during the quarter and financial period under review.

**A10 Material events subsequent to the end of the quarter**

The Board is not aware of any material events subsequent to the Balance Sheet date that have not been reflected in the financial statements for the financial period ended 31 March 2009.

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**PART A - EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (FRS) 134**

**A11 Changes in the composition of the Group**

There were no changes in the composition of the Group during the quarter and the financial period under review.

**A12 Changes in contingent liabilities and contingent assets**

There were no changes in the contingent liabilities and contingent assets of the Group since the last annual balance sheet date as at 31 December 2008.

**A13 Capital commitments**

The were no capital commitments for the purchase of property, plant and equipment and investment not provided for in the financial statements as at 31 March 2009.

**A14 Significant related party transactions**

<b>Related Transacting Parties</b>	<b>Related Parties and Relationship</b>
VPI International Sdn Bhd and its subsidiaries ("VPI Group")	VPI Group is deemed related to the Group by virtue of Shaik Aqmal bin Shaik Allaudin's common directorship in VPI International Sdn Bhd ("VPI") and Efficient E-Solutions Berhad ("E-SOL") and he is also a substantial shareholder in VPI.
Regalia Records Management Sdn Bhd ("RRM")	RRM is deemed related to the Group by virtue of Shaik Aqmal bin Shaik Allaudin's common directorship in RRM and E-SOL and he is also a substantial shareholder in RRM through VPI.

The related party transactions of the Group for the quarter ended 31 March 2009 are as follows:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>31.03.2009</b>	<b>31.03.2008</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
	RM	RM	RM	RM
Provision of DDP and EBP services to VPI Group	546,255	-	546,255	-
Management fee for the provision of project management/ administration of DDP and EBP services to VPI Group	36,000	36,000	36,000	36,000
Licence fee for the usage of e-TALK and e-DOC software applications and provision of software application development for DDP and EBP services to VPI Group	4,160,643	4,160,643	4,160,643	4,160,643
Provision of document archiving and related services by RRM	719	-	719	-
Renting of vault room for security file storage and related services to RRM	26,768	-	26,768	-

The Directors of the Company are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

**PART B - EXPLANATORY NOTES PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1 Performance Review**

The Group's revenue for the current quarter of RM16.4million represented a growth of 7.9% compared to the previous year corresponding quarter. The increase in revenue for the quarter was due mainly to increase in data printing's volume from existing customers. Despite of the increase in the revenue, the Group's profit for the current quarter of RM4.2m has suffered slight decrease of 3.5% as compared to the previous year corresponding quarter as a results of higher operating and building cost incurred in the current quarter.

**B2 Material changes in the profit before taxation for the current quarter as compared with the preceding quarter**

The Group recorded a higher profit before taxation by RM0.84 million in the current quarter as compared to the preceding quarter. The increase in profit before taxation of 23.2% was due mainly to increase in data printing's volume from existing customers.

**B3 Current year prospects**

Barring unforeseen circumstances, the Group expects a continuous earnings growth from data and document processing segment and software development segment with higher revenue and appropriate cost control measures.

**B4 Profit forecast or profit guarantee**

This note is not applicable.

**B5 Taxation**

	Individual Quarter		Cumulative Quarter	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
	RM	RM	RM	RM
Current tax	299,458	595,132	299,458	595,132
Deferred tax	-	-	-	-
	299,458	595,132	299,458	595,132

The effective tax rates for current quarter and financial period ended 31 March 2009 were lower than the statutory tax rate due principally to exempt income granted to Efficient Softest Sdn Bhd, a Multimedia Super Corridor status company.

**B6 Sale of unquoted investments and properties**

There were no sale of unquoted investments and properties for the current quarter and financial period under review.

**B7 Marketable securities**

There were no purchases and disposals of quoted securities for the current quarter and financial period under review.

**B8 Corporate proposals**

There were no corporate proposals announced for the quarter under review.

**B9 Borrowings and debt securities**

The Group's total borrowings, all of which were secured and were denominated in Ringgit Malaysia as at 31 March 2009, were as follows :

	Short term	Long term	Total
	RM	RM	RM
Hire purchase creditors	46,341	-	46,341
Secured bank borrowings	830,880	7,570,936	8,401,816
Total	877,221	7,570,936	8,448,157

**B10 Off Balance Sheet financial instruments**

There were no off balance sheet financial instruments as at 20 May 2009.

**B11 Changes in material litigation**

There were no material litigation as at 20 May 2009.

**B12 Dividend**

The Board of Directors has declared a first interim tax exempt dividend of 2.0% per ordinary share of RM0.10 each for the financial period ended 31 March 2009. The dividend is payable on 3 July 2009. The book closure and entitlement date will fall on 5 June 2009.

There was no dividend declared for previous year corresponding financial period.



**PART B - EXPLANATORY NOTES PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B13 Earnings per share**

	Individual Quarter		Cumulative Quarter	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
	RM	RM	RM	RM
<b>Basic Earnings Per Share</b>				
Profit attributable to ordinary equity holders of the parent	4,155,549	4,304,779	4,155,549	4,304,779
Weighted average number of ordinary shares in issue	658,111,211	658,100,100	658,111,211	658,100,100
Basic EPS (sen)	0.63	0.65	0.63	0.65
<b>Diluted Earnings Per Share</b>				
Profit attributable to ordinary equity holders of the parent		4,304,779		4,304,779
Weighted average number of ordinary shares in issue		658,100,100		658,100,100
Effect of dilution of share options		231,578		231,578
Adjusted weighted average number of ordinary shares in issue and issuable	-	658,331,678	-	658,331,678
Diluted EPS (sen)	NA	0.65	NA	0.65

The weighted average number of ordinary shares in issue for the quarter and financial year period 31 March 2008 of 658,100,100 have been adjusted for the proportionate change in the number of ordinary shares to reflect the bonus issue allotted.

The bonus issue of 329,050,050 new ordinary shares of RM0.10 each in Efficient E-Solutions Berhad, on the basis of one (1) bonus shares for every one (1) existing ordinary shares of RM0.10 each, was successfully allotted on 12 June 2008 and listed on the MESDAQ Market of Bursa Malaysia Securities Berhad on 13 June 2008.

During the quarter and financial period ended 31 March 2009, all the Company's ESOS was fully exercised. There is no effect of dilution to the existing ordinary shares in issue.

**B14 Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 20 May 2009.