

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2011**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

*(The figures have not been audited)*

	Individual Quarter		Cumulative Quarter	
	31.03.2011 RM'000	31.03.2010 RM'000	31.03.2011 RM'000	31.03.2010 RM'000
Revenue	3,518	3,216	3,518	3,216
Other operating income	192	91	192	91
Operating expenses	<u>(2,094)</u>	<u>(1,910)</u>	<u>(2,094)</u>	<u>(1,910)</u>
<b>Profit from operations</b>	<b>1,616</b>	<b>1,397</b>	<b>1,616</b>	<b>1,397</b>
Finance costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Profit before taxation</b>	<b>1,616</b>	<b>1,397</b>	<b>1,616</b>	<b>1,397</b>
Taxation	(23)	(15)	(23)	(15)
<b>Net profit for the period</b>	<b><u>1,593</u></b>	<b><u>1,382</u></b>	<b><u>1,593</u></b>	<b><u>1,382</u></b>
<b>Other comprehensive income for the period, net of tax</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<b><u>1,593</u></b>	<b><u>1,382</u></b>	<b><u>1,593</u></b>	<b><u>1,382</u></b>
<b>Attributable to:</b>				
Equity holders of the Company	<u>1,593</u>	<u>1,382</u>	<u>1,593</u>	<u>1,382</u>
<b>Earnings per share</b>				
- Basic (sen)	<u>0.77</u>	<u>*0.71</u>	<u>0.77</u>	<u>*0.71</u>
- Diluted (sen)	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>

\* For comparative purpose, the earnings per share for the quarter and cumulative quarter ended 31 March 2010 had been adjusted to reflect the bonus issue of 1 for every 2 existing ordinary shares of par value RM0.10 each which was completed on 26 August 2010.

*(The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2011**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

*(The figures have not been audited)*

	(Unaudited) As at 31.03.2011 RM'000	(Audited) As at 31.12.2010 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,699	3,808
Development costs	5,314	5,285
Intangible assets	227	253
	9,240	9,346
<b>Current assets</b>		
Inventories	61	66
Trade receivables	3,087	3,819
Other receivables and prepaid expenses	388	148
Deposits with financial institutions	25,292	21,991
Cash and bank balances	928	1,771
	29,756	27,795
<b>TOTAL ASSETS</b>	<b>38,996</b>	<b>37,141</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	20,677	20,677
Reserves	16,749	15,156
<b>Equity attributable to equity holders of the Company</b>	37,426	35,833
<b>Current liabilities</b>		
Trade payables	108	279
Other payables and accrued expenses	1,454	1,016
Tax liabilities	8	13
	1,570	1,308
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>38,996</b>	<b>37,141</b>
<b>Net assets per share (attributable to equity holders of the Company) (RM)</b>	0.18	0.17

*(The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2011**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW**

*(The figures have not been audited)*

	<b>3 Months Period Ended</b>	
	<b>31.03.2011</b>	<b>31.03.2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,616	1,397
Adjustments for:		
Impairment loss on trade receivables	-	204
Amortisation of development costs	307	245
Amortisation of intangible assets	26	25
Amortisation of prepaid lease payments	-	*
Depreciation of property, plant and equipment	128	140
Unrealised foreign exchange loss	19	-
Property, plant and equipment written off	8	-
Interest income	(160)	(91)
Operating profit before working capital changes	<u>1,944</u>	<u>1,920</u>
Changes in working capital:		
Decrease / (Increase) in inventories	5	(22)
Decrease in trade receivables	718	607
Increase in other receivables and prepaid expenses	(255)	(24)
Decrease in trade payables	(171)	(23)
Increase / (Decrease) in other payables and accrued expenses	448	(274)
Cash generated from operations	<u>2,689</u>	<u>2,184</u>
Tax paid	(28)	(11)
Interest received	160	91
Development costs incurred	(336)	(301)
<b>Net cash from operating activities</b>	<u><b>2,485</b></u>	<u><b>1,963</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	(27)	(255)
<b>Net cash used in investing activity</b>	<u><b>(27)</b></u>	<u><b>(255)</b></u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,458</b>	<b>1,708</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>23,762</b>	<b>16,988</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<u><u><b>26,220</b></u></u>	<u><u><b>18,696</b></u></u>

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2011**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW (CONT'D)**

*(The figures have not been audited)*

	<b>3 Months Period Ended</b>	
	<b>31.03.2011</b>	<b>31.03.2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and cash equivalents comprise:		
Deposits with financial institutions	25,292	6,130
Cash and bank balances	928	12,566
	<u>26,220</u>	<u>18,696</u>

Notes:

\* Denotes amount less than RM1,000

*(The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2011**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

*(The figures have not been audited)*

	< ----- Attributable to equity holders of the Company ----- >			
	Share Capital RM'000	Distributable Retained Profits RM'000	Non- Distributable Share Premium RM'000	Total Equity RM'000
<u>3 Months Period Ended</u>				
<u>31 March 2011</u>				
As at 1 January 2011	20,677	15,156	-	35,833
Total comprehensive income for the period	-	1,593	-	1,593
As at 31 March 2011	<b>20,677</b>	<b>16,749</b>	-	<b>37,426</b>

	< ----- Attributable to equity holders of the Company ----- >			
	Share Capital RM'000	Distributable Retained Profits RM'000	Non- Distributable Share Premium RM'000	Total Equity RM'000
<u>3 Months Period Ended</u>				
<u>31 March 2010</u>				
As at 1 January 2010	12,573	14,258	1,695	28,526
Total comprehensive income for the period	-	1,382	-	1,382
As at 31 March 2010	<b>12,573</b>	<b>15,640</b>	<b>1,695</b>	<b>29,908</b>

*(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)*

## **A. EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARDS (“FRSs”) NO. 134**

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### **A1. Accounting Policies and Basic of Preparation**

The interim financial report has been prepared in compliance with FRS No. 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2010.

The accounting policies and method of computation adopted by the Group in this interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2010 except for the adoption of the following revised FRSs and Amendments to FRSs which are applicable to the Group.

#### *Effective for financial period beginning on or after 1 July 2010:*

FRS 1 (revised)	First Time Adoption of Financial Reporting Standards
FRS 3 (revised)	Business Combinations
FRS 127 (revised)	Consolidated and Separate Financial Statements
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 138	Intangible Assets

#### *Effective for financial period beginning on or after 1 January 2011:*

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates
Amendments to FRS 1, FRS 3, FRS 7, FRS 132, FRS 134 and FRS 139	Improvements to FRSs (2010)

The adoption of the above mentioned FRSs and Amendments to FRS have no material impact on the financial statements of the Group.

### **A2. Audit Report**

The auditors' report on the Group's preceding annual financial statements was not subject to any qualification.

### **A3. Seasonality or Cyclicity of Interim Operations**

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review.

**A. EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARDS (“FRSs”) NO. 134 (CONT’D)**

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**A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

During the current financial quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

**A5. Changes in Estimates**

There was no material changes in estimates of amounts reported in the prior financial year that has a material effect on the current financial quarter under review.

**A6. Issuances, Cancellation, Repurchases, Resale and Repayments of Debts and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial quarter under review.

**A7. Dividend Paid**

No dividend was declared or paid during the current financial quarter under review. On 26 May 2011, the Board of Directors had declared a first interim tax exempt dividend of 10% equivalent 1.0 sen per ordinary share for the financial year ending 31 December 2011.

The amount of dividend paid during the current and preceding cumulative financial quarter are as follows:

	<b>3 Months Period Ended</b>	
	<b>31.03.2011</b>	<b>31.03.2010</b>
<b>In respect of the financial year ended 31 December</b>	<b>RM’000</b>	<b>RM’000</b>
2010: Interim tax exempt dividend of 1.0 sen per ordinary share of RM0.10, paid on 12 April 2010	-	1,257
	<u>-</u>	<u>1,257</u>

**A. EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARDS (“FRSs”) NO. 134 (CONT’D)**

**A8. Segmental Reporting**

Segment information is presented in respect of the Group’s business segments.

- (i) Application Solutions (“AS”)
  - Sales of software applications and product on an outright purchase basis.
- (ii) Application Services Providers (“ASP”)
  - Income from outsourcing service charge which is volume and transaction based.
- (iii) Maintenance Services
  - Provision of maintenance services

**(a) Individual and Cumulative Quarter**

<b><u>3 Months Period Ended</u></b>	<b>AS</b>	<b>ASP</b>	<b>Maintenance</b>	<b>Total</b>
<b><u>31 March 2011</u></b>	<b>RM’000</b>	<b>RM’000</b>	<b>Services</b>	<b>RM’000</b>
			<b>RM’000</b>	
<b>REVENUE</b>				
External sales	608	2,660	250	3,518
<b>RESULT</b>				
Segment profit	187	1,115	122	1,424
Realised gain on foreign exchange				32
Interest income				160
Profit before taxation				1,616
Taxation				(23)
<b>Net profit for the period / Total comprehensive income for the period</b>				<b>1,593</b>

<b><u>3 Months Period Ended</u></b>	<b>AS</b>	<b>ASP</b>	<b>Maintenance</b>	<b>Total</b>
<b><u>31 March 2010</u></b>	<b>RM’000</b>	<b>RM’000</b>	<b>Services</b>	<b>RM’000</b>
			<b>RM’000</b>	
<b>REVENUE</b>				
External sales	1,032	2,036	148	3,216
<b>RESULT</b>				
Segment profit	489	749	68	1,306
Interest income				91
Profit before taxation				1,397
Taxation				(15)
<b>Net profit for the period / Total comprehensive income for the period</b>				<b>1,382</b>



**A. EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARDS  
("FRSs") NO. 134 (CONT'D)**

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**A9. Valuation of Property, Plant and Equipment**

The Group did not revalue any of its property, plant and equipment during the current financial quarter under review. Therefore, the valuation of property, plant and equipment has been brought forward without amendment from the previous annual financial statements.

**A10. Subsequent Material Event**

There was no material event subsequent to the current financial quarter ended 31 March 2011 up to the date of the announcement of this report which is likely to substantially affect the results of the operations of the Group for the current financial quarter under review.

**A11. Changes in the Composition of the Group**

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

**A12. Changes in Contingent Liabilities or Contingent Assets**

There were no material contingent liabilities or contingent assets for the current financial quarter under review.

**A13. Recurrent Related Party Transactions ("RRPT")**

There were no RRPT in the Group during the current financial quarter under review.

**A14. Capital Commitments**

As at 31 March 2011, the Group has no material capital commitment in respect of property, plant and equipment.

## **B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENT (APPENDIX 9B)**

### **B1. Performance Review**

#### *1<sup>st</sup> Quarter 2011 versus 1<sup>st</sup> Quarter 2010*

The Group recorded revenue of approximately RM3.52 million for the current financial quarter under review, compared to RM3.22 million generated for the same quarter in the preceding year, representing an increase of approximately 9.39%. The increase in revenue of the Group was mainly contributed by higher trading volume of the ASP business segment.

The Group's profit before tax ("PBT") for the current quarter had increased by approximately RM0.22 million or 15.68% to RM1.62 million as compared to the corresponding quarter in the preceding year of RM1.40 million. The increase in PBT was due mainly to higher revenue generated, interest income from short term deposit and gain on foreign exchange.

### **B2. Variation of Results against Preceding Quarter**

	<b>Q1 2011</b>	<b>Q4 2010</b>	<b>Increase</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	3,518	3,276	242	7.39
PBT	1,616	896	720	80.36
PAT	1,593	882	711	80.61

The Group had achieved higher revenue for the current financial quarter as compared to the immediate preceding quarter. This was due mainly to higher revenue generated by both ASP and Maintenance Services business segments.

The Group recorded a PBT of approximately RM1.62 million for the current financial quarter ended 31 March 2011. As compared to the immediate preceding quarter ended 31 December 2010, the PBT for the current financial quarter had rose by 80.36%. This was due to the performance in the immediate preceding quarter which was affected by the cost incurred for a corporate exercise undertaken, whereas during the financial quarter under review, the operational cost incurred are mainly for the business operations of the Group.

As a result of the foregoing factors, profit after tax ("PAT") had increased by approximately 80.61% as compared to the immediate preceding quarter.

### **B3. Prospects for 2011**

Moving forward in year 2011, the Group will continue to focus on strengthening its brand equity by providing a full range of proprietary front, middle and back office solutions to the stockbroking industry.

The Group will continue to invest in the market development and upgrade of existing products and services, through introduction of new application solutions and services as well as improved versions of existing application solutions in order to meet the market demand. The Board is optimistic of achieving a satisfactory performance for the financial year ending 31 December 2011.

## **B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENT (APPENDIX 9B) (CONT'D)**

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### **B4. Variance of Profit Forecast and Shortfall in Profit Guarantee**

The Group has not issued any profit forecast nor profit guarantee for the current financial quarter under review and the financial period to-date.

### **B5. Taxation**

The taxation charge for the individual financial quarter and the cumulative financial quarter are as follows:

	<b>Individual Financial Quarter Ended</b>		<b>Cumulative Financial Quarter Ended</b>	
	<b>31.03.11 RM'000</b>	<b>31.03.10 RM'000</b>	<b>31.03.11 RM'000</b>	<b>31.03.10 RM'000</b>
Taxation	<u>23</u>	<u>15</u>	<u>23</u>	<u>15</u>

The Group has been granted Pioneer Tax Status under the Promotion of Investments (Amendment) Act, 1997 and awarded with the MSC-Status. Accordingly, the Group is exempted from tax on statutory income, of which has been extended for a second five (5)-year term on 16 May 2007 and will expire on 15 May 2012. The reported tax expense is attributed to interest income on short term.

### **B6. Sale of Unquoted Investment and/or Property**

There were no disposal of unquoted investments and/or properties by the Group during the current financial quarter and the cumulative financial quarter under review.

### **B7. Quoted and Marketable Securities**

There was no purchase or disposal of quoted and marketable securities during the current financial quarter under review.

### **B8. Status of Corporate Proposals**

#### **(a) Status of Corporate Proposal Announced but Not Completed**

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

## B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENT (APPENDIX 9B) (CONT'D)

### B8. Status of Corporate Proposals (Cont'd)

#### (b) Utilisation of Proceeds

##### Proceeds from Private Placement

The Company had raised approximately RM5.33 million from its private placement exercise of 12,111,800 ordinary shares of RM0.10 each ("Placement Shares") which was completed on 24 May 2010.

As at 31 March 2011, the status of the utilisation of proceeds is as follows:

	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	%	Adjusted Balance for the Working Capital of EFMB Group RM'000	Remaining Balance RM'000	Intended Time Frame for Utilisation	Explanation
- Business expansion	4,000	-	4,000	100.00	-	4,000	23 May 2012	Note 1
- Working capital requirements	1,279	645	634	49.57	14	648	23 May 2011	Note 2
- Estimated expenses in relation to the private placement	50	36	14	28.00	(14) <sup>4</sup>	-	N/A	Note 3
<b>Total</b>	<b>5,329</b>	<b>681</b>	<b>4,648</b>		<b>-</b>	<b>4,648</b>		

#### Notes:

1. The Group intend to utilise a portion of the proceeds from the Private Placement proceeds for business expansion domestically and overseas for the next two (2) years, of which is expected to contribute positively to the Group's future financial performance. The estimated cost for local expansion is approximately RM2 million while the estimated cost for its overseas expansion would require approximately RM2 million for research works, travelling, accommodation, exhibitions, marketing and promotion activities, which is in line with the Group's overseas market penetration efforts.
2. Proceeds from the Private Placement will also be utilised for working capital requirements of the Group. This amount will be utilised for but are not limited to operating expenses such as staff salaries, development expenditure, promotional and marketing expenditure, and other expenditure.
3. The proceeds of approximately RM36,000 of the Private Placement has been utilised for professional fees, placement fees, fee payable to authorities and other miscellaneous expenses relating to the Private Placement.
4. The surplus funds of approximately RM14,000 of the Private Placement would be adjusted to the amount earmarked for working capital.

## **B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENT (APPENDIX 9B) (CONT'D)**

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### **B9. Group Borrowings and Debt Securities**

The Company does not have any borrowings and debt securities as at 31 March 2011. However, on 8 January 2007, the Company had acquired four (4) units of new office block located at Jaya 1, Section 13, Petaling Jaya, Selangor Darul Ehsan ("Properties") for a total purchase consideration of RM2.15 million ("Acquisition"). The Acquisition is financed by secured bank borrowings (approximately 80%) and internally generated funds (approximately 20%). This term loan is for a period of ten (10) years and it has a feature of Savelink Term Loan where interest shall only be calculated at the prescribed rate on the daily outstanding amount.

### **B10. Off Balance Sheet Financial Instruments**

The Company does not have any off balance sheet financial instruments as at the date of this report.

### **B11. Material Litigation**

Save as disclosed below, the Group is not engaged in any material litigation either as plaintiff or defendant and the Board does not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

#### **Kuala Lumpur High Court Originating Summons No. D7-24-118-2007** *Automatic Identification Technology Sdn Bhd v Excel Force MSC Bhd*

EForce had served a Statutory Notice pursuant to Section 218 of the Companies Act, 1965 against Automatic Identification Technology Sdn Bhd ("AIT") on 30 March 2007 for non-payment of a sum of RM150,000, being the cost of application, software installation and system configuration at the business premises owned by the end client. Pursuant thereto, AIT filed an application vide Originating Summons No. D7-24-118-2007, which inter alia prayed for an injunction restraining EForce to proceed further for winding-up petition against AIT.

The High Court of Malaya ("Court") had on 29 February 2008 dismissed AIT's application and Originating Summons. Thereafter, AIT filed an appeal against the Court decision at the Court of Appeal. Pending the appeal, AIT further filed for a summons in chambers for an Erinford Injunction to restrain EForce from proceeding with the winding-up petition against AIT. The Court had granted the Erinford Injunction subject to the condition that AIT shall deposit a sum of RM150,000 by 11 December 2008. AIT had on 5 December 2008 deposited the said sum into Court.

The solicitor in charge of the matter is of view that the appeal by AIT is likely to be dismissed as there is evidence that AIT had admitted to the debt.

## B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENT (APPENDIX 9B) (CONT'D)

### B11. Material Litigation (Cont'd)

The Court of Appeal had fixed 16 February 2011 for hearing of AIT's appeal. The solicitor for the AIT has prior to the hearing of their appeal agreed to deposit RM150,000 with EForce's solicitor to be held as stakeholder pending EForce recovering such sum from AIT in the Kuala Lumpur Session Court, of which sum is to be released to EForce upon procurement of judgement. Accordingly, the Court of Appeal struck out the appeal upon the request from the solicitor for AIT to withdraw their appeal on 16 February 2011.

Meanwhile, EFMB has filed a summons in the Kuala Lumpur Sessions Court and served it on Patimas Business Solutions Sdn Bhd (formerly known as Automatic Identification Technology Sdn Bhd). The Sessions Court has fixed 19 May 2011 for mention to allow the Defendant to file their defence wherein the Defendant has filed it on 18 May 2011. The Sessions Court has fixed 2 June 2011 for further mention pending EFMB filing of the summary judgment application. The solicitor in charge of the matter is of the view that the matter can be summarily disposed off by affidavit evidence as there is evidence that Patimas Business Solutions Sdn Bhd had admitted to the debt.

### B12. Dividend

No dividend was declared or paid during the current financial quarter under review. On 26 May 2011, the Board of Directors had declared a first interim tax exempt dividend of 10% equivalent 1.0 sen per ordinary share for the financial year ending 31 December 2011.

### B13. Earnings per Share ("EPS")

	Individual Financial Quarter Ended		Cumulative Financial Quarter Ended	
	31.03.11	31.03.10	31.03.11	31.03.10
<b><u>(a) Basic EPS</u></b>				
Net profit for the period (RM'000)	1,593	1,382	1,593	1,382
Weighted average number of ordinary shares in issue ('000)	206,768	194,656	206,768	194,656
Basic EPS (sen)	<u>0.77</u>	<u>0.71</u>	<u>0.77</u>	<u>0.71</u>

The calculation of the basic EPS is based on the net profit for the current financial quarter under review and the cumulative financial quarter ended 31 March 2011, divided by the adjusted weighted average number of ordinary shares of RM0.10 each in issue during the current financial quarter and the said cumulative financial quarter.

#### **(b) Diluted EPS**

The Group does not have in issue any financial instruments, convertible securities and / or other contracts that may entitle its holders to new ordinary shares and therefore dilute its basic earnings per share.

## B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENT (APPENDIX 9B) (CONT'D)

### B13. Earnings per Share ("EPS") (Cont'd)

For comparative purpose, the number of ordinary shares issued as at 31 March 2010 had been adjusted to reflect the bonus issue of 1 for every 2 existing ordinary shares which was completed on 26 August 2010.

### B14. Realised and Unrealised Profits

The breakdown of retained profits of the Group as at 31 March 2011 into realised and unrealised profits, pursuant to the directive issued by Bursa Securities dated 25 March 2010, is as follow:

	As At <b>31.03.11</b> RM'000	As At <b>31.12.10</b> RM'000
Total retained profits of Excel Force MSC Berhad and its subsidiaries:		
- Realised	16,530	14,941
- Unrealised	19	15
	<u>16,549</u>	<u>14,956</u>
Add: Consolidation adjustments	200	200
Total Group retained profits as per consolidated accounts	<u>16,749</u>	<u>15,156</u>

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, "*Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirement*", issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.