



**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(THE FIGURES HAVE NOT BEEN AUDITED)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		3 MONTHS PERIOD ENDED		12 MONTHS PERIOD ENDED	
		31 DECEMBER 2011	31 DECEMBER 2010	31 DECEMBER 2011	31 DECEMBER 2010
		RM	RM	Unaudited RM	Audited RM
CONTINUING OPERATIONS					
Revenue		14,431,440	5,677,622	44,579,233	11,792,471
Cost of sales		(8,747,272)	(1,849,803)	(27,332,430)	(3,986,127)
Gross Profit		5,684,168	3,827,819	17,246,803	7,806,344
Other operating income		10,720	845,729	89,759	850,411
Administrative expenses		(2,172,445)	(2,772,994)	(7,867,110)	(8,082,376)
Profit/(Loss) from operations		3,522,443	1,900,554	9,469,452	574,379
Finance costs		(140,867)	(46,746)	(634,937)	(187,050)
Negative goodwill from acquisition of a subsidiary		-	-	65,183	-
Pre-acquisition profit adjustment		-	-	(66,556)	-
Profit / (Loss) before income tax		3,381,576	1,853,808	8,833,142	387,329
Income tax expenses		(424,027)	(211,810)	(501,486)	(250,839)
Profit / (Loss) for the period		2,957,549	1,641,998	8,331,656	136,490
DISCONTINUED OPERATIONS					
Profit / (loss) before tax from discontinued operations		-	-	-	-
Taxation		-	-	-	-
Profit / (loss) from discontinued operations		-	-	-	-
Profit / (Loss) for the period		2,957,549	1,641,998	8,331,656	136,490
Profit / (loss) attributable to:					
Equity Holders of the Parent		2,947,232	1,783,441	8,319,430	278,227
Non controlling interest		10,317	(141,443)	12,226	(141,737)
		2,957,549	1,641,998	8,331,656	136,490
Earnings /(loss) per share attributable to					
Equity Holders of the Parent					
- Basic (sen)	B12	1.93	1.23	5.45	0.19
- Diluted (sen)	B12	-	-	-	-

Note:

Certain expenses related to projects have been reclassified from administrative expenses to cost of sales in cumulative quarter 9months period ended 30September 2011 in order to conform to the current year individual quarter presentation. This reclassifications have not affected our financial position or net cash flow.

The unaudited condensed consolidated Statement of Comprehensive Income should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2010.

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 MONTHS PERIOD ENDED		12 MONTHS PERIOD ENDED	
	31 DECEMBER 2011	31 DECEMBER 2010	31 DECEMBER 2011	31 DECEMBER 2010
Note	RM	RM	RM	RM
Profit / (Loss) for the period	2,957,549	1,641,998	8,331,656	136,490
OTHER COMPREHENSIVE INCOME				
Exchange difference arising on translation of foreign operations	61,927	(4,809)	70,568	78,117
Amortisation of revaluation reserve	(9,127)	(12,417)	(36,506)	(37,251)
Other comprehensive income, net of tax	52,800	(17,226)	34,062	40,866
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	3,010,349	1,624,772	8,365,718	177,356
Total comprehensive income/ (loss) attributable to:				
Equity Holders of the Parent	2,972,653	1,741,381	8,353,492	319,093
Non controlling interest	10,317	(141,443)	12,226	(141,737)
	3,010,349	1,624,772	8,365,718	177,356
	-	-	-	-

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Unaudited</i>	<i>Audited</i>
	31 DECEMBER 2011	31 DECEMBER 2010
	RM	RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	9,693,146	5,499,558
Goodwill on consolidation	6,663,251	6,663,251
Intangible assets	-	883
Development costs	13,354,710	16,408,284
	<u>29,711,107</u>	<u>28,571,976</u>
CURRENT ASSETS		
Inventories	46,889	47,196
Trade receivables	11,661,100	6,248,836
Other receivables, prepayments & deposits	576,163	755,403
Deposits placed with licensed bank	338,192	667,802
Cash and bank balances	3,116,748	69,769
	<u>15,739,092</u>	<u>7,789,006</u>
TOTAL ASSETS	<u>45,450,199</u>	<u>36,360,982</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	16,143,266	14,666,666
Share premium	5,552,373	5,061,195
Foreign currency translation reserve	123,938	53,370
Revaluation reserve	1,788,787	1,825,293
Legal Reserve	131,381	27,053
Share-based payment reserved in relating to ESOS	489,066	
Retained profits	13,967,155	5,683,352
	<u>38,195,966</u>	<u>27,316,929</u>
Non controlling interest	18,208	4,513
TOTAL EQUITY	<u>38,214,174</u>	<u>27,321,442</u>
NON-CURRENT LIABILITIES		
Hire purchase payables	3,300,320	66,569
Finance lease payables	132,003	-
Deferred tax liabilities	19,292	134,086
	<u>3,451,615</u>	<u>200,655</u>
CURRENT LIABILITIES		
Trade payables	279,779	829,858
Other payables and accruals	1,952,088	3,471,148
Hire purchase payables	1,295,278	74,041
Finance lease payables	67,536	-
Provision for taxation	189,729	244,481
Bank overdrafts - secured	-	4,219,357
	<u>3,784,410</u>	<u>8,838,885</u>
TOTAL LIABILITIES	<u>7,236,025</u>	<u>9,039,540</u>
TOTAL EQUITY AND LIABILITIES	<u>45,450,199</u>	<u>36,360,982</u>
	-	-
Number of ordinary shares at RM0.10 sen par each	161,432,666	146,666,666
Net Assets per share attributable to ordinary equity holders of the Company (sen)	<u>23.7</u>	<u>18.6</u>

Note:

The unaudited condensed consolidated Statement of Financial Position should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2010.

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2011**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(THE FIGURES HAVE NOT BEEN AUDITED)**

	← Attributable to Equity Holders of the Company →							Retained Profits	Sub-total	Non Controlling Interest	Total Equity
	← Non-Distributable →					Distributable					
	Share Capital	Share Premium	Foreign Currency Translation Reserve	Revaluation Reserve	Legal Reserve	Reserve arising from ESOS	Relating to Assets Held for Sale				
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Current period-to-date ended 31 DECEMBER 2011											
As at 1 January 2011	14,666,666	5,061,195	53,370	1,825,293	27,053	-	-	5,683,352	27,316,929	4,513	27,321,442
Issuance of shares pursuant to :-											
- Private Placement	1,466,600	483,978	-	-	-	-	-	-	1,950,578	-	1,950,578
- ESOS	10,000	7,200	-	-	-	-	-	-	17,200	-	17,200
Profit for the period	-	-	-	-	-	-	-	8,319,430	8,319,430	12,226	8,331,656
Other Comprehensive income for the period	-	-	70,568	(36,506)	-	-	-	-	34,062	-	34,062
Total comprehensive income for the period	-	-	70,568	(36,506)	-	-	-	8,319,430	8,353,492	12,226	8,365,718
Amortisation of revaluation reserve	-	-	-	-	-	-	-	36,506	36,506	-	36,506
Amount recognised directly in equity relating to assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-
Acquisition of Subsidiary	-	-	-	-	-	-	-	-	-	1,469	1,469
Transfer to legal reserve	-	-	-	-	104,328	-	-	(104,328)	-	-	-
Share-based payments in relation to ESOS	-	-	-	-	-	489,066	-	-	489,066	-	489,066
Disposal of investment in SMR HR Singapore	-	-	-	-	-	-	-	32,195	32,195	-	32,195
Balance at the end of period	16,143,266	5,552,373	123,938	1,788,787	131,381	489,066	-	13,967,155	38,195,966	18,208	38,214,174
Corresponding period-to-date ended 31 DECEMBER 2010											
As at 1 January 2010	13,333,333	5,061,195	(24,747)	1,862,544	-	-	3,460	5,394,927	25,630,712	29,758	25,660,470
Issuance of shares pursuant to Private Placement	1,333,333	-	-	-	-	-	-	-	1,333,333	-	1,333,333
Gain for the period	-	-	-	-	-	-	-	278,227	278,227	(141,737)	136,490
Other Comprehensive income for the period	-	-	78,117	(37,251)	-	-	-	-	40,866	-	40,866
Total comprehensive income for the period	-	-	78,117	(37,251)	-	-	-	278,227	319,093	(141,737)	177,356
Amortisation of revaluation reserve	-	-	-	-	-	-	-	37,251	37,251	-	37,251
Amount recognised directly in equity relating to assets classified as held for sale	-	-	-	-	-	-	(3,460)	-	(3,460)	-	(3,460)
Transfer to legal reserve	-	-	-	-	27,053	-	-	(27,053)	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	116,492	116,492
Disposal of investment in SMR USA	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of period	14,666,666	5,061,195	53,370	1,825,293	27,053	-	-	5,683,352	27,316,929	4,513	27,321,442

Note:

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2010.

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QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
(THE FIGURES HAVE NOT BEEN AUDITED)

	CURRENT PERIOD ENDED 31 DECEMBER 2011	CORRESPONDING PERIOD ENDED 31 DECEMBER 2010
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax		
- Continuing operations	8,833,142	387,329
- discontinued operations	-	-
Adjustments for:		
Depreciation		
- continuing operations	1,803,111	959,588
Amortisation	3,091,770	979,923
Interest Income	(21,142)	(5,000)
Interest expenses	575,465	187,050
Loss / (gain) on Disposal PPE	(72,794)	-
Bad debts written off	-	791,619
PPE written off	1,094	6,055
Gain on disposal of assets held for sale	-	(786,605)
Gain on disposal of subsidiary	(6,820)	-
Share-based payments reserved in relating to ESOS	492,766	-
Unrealised Foreign exchange loss	(64,696)	77,768
Pre-acquisition loss	66,556	-
Negative goodwill from acquisition of Subsidiary	(65,183)	12,044
Operating (loss) / profit before working capital changes	14,633,269	2,609,771
Changes in working capital		
Receivables	(5,169,525)	(6,376,940)
Payables	(1,973,197)	137,939
Inventories	307	17,822
Cash used in from operations	7,490,854	(3,611,408)
Tax paid	(694,102)	(58,142)
Tax refund	-	215,703
Interest expenses	(238,717)	(178,569)
Net cash used in operating activities	6,558,035	(3,632,416)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(173,791)	(161,133)
Deposit held as security	329,610	(307,734)
Proceeds from disposal of property, plant & equipment	76,000	92,431
Development Cost	-	(500)
Interest Income	21,142	5,000
Net cash generated from / (used in) investing activities	252,961	(371,936)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placement of share	-	1,333,333
Proceeds from disposal of assets held for sale	-	3
Proceeds from issuance of shares	1,970,996	-
Proceeds from disposal of investment in Subsidiary	221,871	-
Investment in subsidiary	(228,688)	104,448
Repayment of hire purchase payables	(1,082,203)	(67,632)
Repayment of finance lease payables	(138,728)	-
Interest paid	(336,748)	(8,481)
Net cash generated from / (used in) financing activities	406,500	1,361,671
Net decrease in cash and cash equivalents	7,217,496	(2,642,681)
Foreign exchange translation differences	54,503	-
Opening balance of cash and cash equivalents	(4,155,251)	(1,506,907)
Closing balance of cash and cash equivalents	3,116,748	(4,149,588)
Cash and cash equivalents		
Fixed deposits with licensed bank	334,876	667,802
Cash and bank balances	3,116,748	69,769
Overdraft	-	(4,219,357)
	3,451,624	(3,481,786)
Less: Deposits held as security	(334,876)	(667,802)
Closing balance of cash and cash equivalents	3,116,748	(4,149,588)

Note:

The unaudited condensed consolidated Statement of Cash Flow should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2010.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH FINANCIAL QUARTER ENDED 31 DECEMBER 2011**

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

A1 Basis of Preparation

- a) These interim financial statements of SMR Technologies Berhad ("SMRT" or the "Company") and its subsidiaries (the "Group") are unaudited and have been prepared in accordance with FRS 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Appendix 9B of the Bursa Malaysia Securities Berhad's ("Bursa Securities") ACE Market Listing Requirements ("AMLR").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 31 December 2010. These explanatory notes attached to the interim financial statement provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the FYE 31 December 2010.

b) Adoption of New and Revised FRS, Amendments/Improvements to FRS and IC Interpretations ("IC Int")

The significant accounting policies and presentations adopted by the Group in this quarterly report are consistent with those of the annual financial statements for the FYE 31 December 2010 except for the adoption of the following FRSs, amendments to FRSs and IC Int, which are effective for annual periods beginning on and after:

Revised FRSs, Amendments / Improvements to FRSs and IC Int Effective for financial periods beginning on or after 1 July 2010

Revised FRS

FRS 1	First-time Adoption of Financial Reporting Standards	1-Jul-10
FRS 3	Business Combinations	1-Jul-10
FRS 127	Consolidated and Separate Financial Statements	1-Jul-10

Amendments/Improvements to FRS

FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1-Jul-10
FRS 138	Intangible Assets	1-Jul-10

IC Int

IC Int 12	Service Concession Arrangements	1-Jul-10
IC Int 16	Hedges of a Net Investment in a Foreign Operation	1-Jul-10
IC Int 17	Distributions of Non-cash Assets to Owners	1-Jul-10

Revised FRSs, Amendments / Improvements to FRSs and IC Int Effective for financial periods beginning on or after 1 Jan 2011

Revised FRS

FRS 124	Related Party Disclosures	1-Jan-12
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Amendments/Improvements to FRS

FRS 1	First-time Adoption of Financial Reporting Standards	1-Jan-11
FRS 2	Share-based Payment	1-Jan-11
FRS 3	Business Combinations	1-Jan-11
FRS 7	Financial Instruments: Disclosure	1-Jan-11
FRS 101	Presentation of Financial Statements	1-Jan-11
FRS 121	The Effects of Changes in Foreign Exchange Rates	1-Jan-11
FRS 128	Related Party Disclosures	1-Jan-11
FRS 131	Interests in Joint Ventures	1-Jan-11
FRS 132	Financial Instruments: Presentation	1-Jan-11
FRS 134	Interim Financial Reporting	1-Jan-11
FRS 139	Financial Instruments: Recognition and Measurement	1-Jan-11

IC Int

IC Int 4	Determining Whether an Arrangement contains a Lease	1-Jan-11
IC Int 15	Agreements for the Construction of Real Estate	1-Jan-12
IC Int 18	Transfers of Assets from Customers	1-Jan-11
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	1-Jul-11

The Group has yet to adopt the following FRSs, Amendments to FRSs and IC Interpretations which are effective for annual periods beginning on and after:

Amendments to IC Int

IC Int 9	Reassessment of Embedded Derivatives	1-Jul-10
IC Int 13	Customer Royalty Programmes	1-Jan-11
IC Int 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1-Jul-11
IC Int 15	Agreements for the Construction of Real Estate	30-Aug-10

A2 Audit Report of the preceding Annual Financial Statements

The audit report for the annual financial statements of the Group for the FYE 31 December 2010 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The Group's operations were not materially affected by seasonal or cyclical changes.

A4 Changes in estimates

There were no estimates report provided for the last financial quarter under review.

A5 Debt and equity securities

There were no issuance, cancellation or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review, other than disclosed as follows:-

On 16 November 2011, a total of 100,000 ordinary shares of RM0.10 each were issued under the Employee Shares Option Scheme ("ESOS")

A6 Valuation of Property, Plant and Equipment

The value of office suite has been brought forward, without amendments from the last year's annual audited financial statements.

A7 Dividend Paid

No dividend was paid during the financial quarter under review.

A8 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items or events, which affected the assets, liabilities, equity, net income or cash flows of the Group since the last annual audited financial statements.

A9 Segmental Information

(a) Analysis of segmental revenue and results

	Current Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31.12.11	31.12.10	31.12.11	31.12.10
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
Continuing Operations				
- software & implementation services	5,753	2,690	13,451	4,180
- outsourcing, consulting, executive search services, learning & development	12,157	4,913	38,886	9,610
- investment holding & management services	-	-	-	-
Elimination of inter-segment sales	(3,479)	(1,926)	(7,758)	(1,998)
Total revenue from Continuing Operations	14,431	5,677	44,579	11,792
Discontinued Operations	-	-	-	-
Total operations	14,431	5,677	44,579	11,792
Segment Results				
Continuing Operations				
- software & implementation services	3,504	1,711	7,540	689
- outsourcing, consulting, executive search services, learning & development	(175)	147	1,876	483
- investment holding & management services	(329)	(208)	(1,014)	(939)
Consolidation adjustments	(42)	(8)	(70)	(97)
	2,958	1,642	8,332	136
Discontinued Operations	-	-	-	-
Profit / (loss) after tax for total operations	2,958	1,642	8,332	136

(b) Analysis by geographical areas

	3 months ended 31 December 2011					
	Continuing Operations			Conso- lidated	Discontinued Operations	
	Malaysia	Overseas	Elimi- nations		Overseas	Total
Revenue	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External sales	11,028	3,403	-	14,431	-	14,431
Inter-segment	3,479	-	(3,479)	-	-	-
Total	14,507	3,403	(3,479)	14,431	-	14,431

	12 months ended 31 December 2011					
	Continuing Operations			Conso- lidated	Discontinued Operations	
	Malaysia	Overseas	Elimi- nations		Overseas	Total
Revenue	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External sales	36,963	7,616	-	44,579	-	44,579
Inter-segment	7,757	1	(7,758)	-	-	-
Total	44,720	7,617	(7,758)	44,579	-	44,579

Segment assets	71,621	1,837	(28,008)	45,450	-	45,450
Segment liabilities	26,895	276	(19,935)	7,236	-	7,236
Depreciation & amortisation	4,886	9	-	4,895	-	4,895

A10 Material Events Subsequent to the end of the current quarter

a) There were no material events subsequent to the end of the quarter that have not been reflected in the current financial quarter.

A11 Changes in the Composition of the Group

There were no material changes in the composition of the Group for the current quarter under review.

A12 Contingent Liabilities or Contingent Assets

As at 31.12.2011
RM'000

Corporate Guarantees issued to financial institutions in respect of
banking facilities granted to subsidiary companies

10,200

Bank Guarantee issued by a subsidiary company in favour of third parties

10

10,210

A13 Capital Commitments

There were no capital commitments during the current quarter under review.

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B1 Review of Performance**Current quarter compared to preceding year's corresponding quarter**

For the current quarter under review, the group had achieved a revenue from its continuing operations of RM14.43 million with a profit before tax ("PBT") of RM3.38 million compared with a turnover of RM5.68 million and PBT of RM1.85 million in the same quarter of 2010 (Q4, 2010). The increase in revenue and PBT was mainly due to the special projects with MOE and MOHR in Malaysia, MOW in Bahrain, Petro Rabigh in Saudi and Borouge in Abu Dhabi in this quarter.

Current financial year-to-date results compared to preceding year's corresponding financial year-to-date results

The Group's revenue increased by 278% to RM44.58 million for the cumulative Q4, 2011 compared to the previous year's corresponding quarter. The increase was due to higher revenue generated from various projects. PBT for the cumulative quarter of RM8.83 million compared with the PBT for the previous year's corresponding cumulative quarter of RM0.39 million.

B2 Material change in the profit before tax for the current quarter as compared with the immediate preceding quarter

The Group's profit before tax from continuing operations of RM3.38 million against RM2.32 million in the immediate preceding quarter (Q3, 2011). This was mainly due to an increase in revenue by RM3.71 million (35%) in the current quarter compared to the previous quarter.

B3 Prospects for the current financial year

The Group maintains a positive outlook on its performance for year 2012. The projects in Malaysia and projects in Saudi Arabia and Bahrain have contributed positively to maintain the Group profitable position. With positive demand in Saudi Arabia, U.A.E, Bahrain and Malaysia, the Group is confident that it can sustain its profitability and continual growth in the year 2012.

The Group is continuing to build on its core strength and focus on increasing operational efficiency by improving its processes, branding and its technology based HR solutions. Barring any unforeseen circumstances, the Directors are of the opinion that the Group's results for the current year will remain favourable.

B4 Variance of actual profit from Profit forecast and Profit Guarantee

The Group neither announced nor provided any profit forecast or profit guarantee for the current quarter.

B5 Income Tax Expenses

	Current Quarter 31.12.2011 RM'000	Cumulative Quarter 31.12.2011 RM'000
Income tax		
Current tax	423	462
(Over) / under provision of tax in prior year	-	38
Deferred tax liabilities	(133)	1
	290	501

The effective tax rate for the current financial quarter is higher than the statutory tax rate of 25% due to the non-deductibility of certain expenses for tax in some subsidiary companies. SMR HR Technologies Sdn Bhd, a wholly-owned subsidiary of the Company is accorded tax exemption for 10 years up to 30 December 2011 due to its Multimedia Super Corridor (MSC) status.

B6 Status of corporate proposals announced but not yet completed

There was no other corporate proposals announced but not yet completed as at the date of this quarterly report.

B7 Group Borrowings and Debt Securities

	31.12.2011 RM'000
Secured short -term	
Overdraft	-
Hire purchase payables	1,295
Lease assets payables	68
Secured long -term	
Hire purchase payables	3,300
Lease assets payables	132
Total borrowings	4,795

All borrowings are denominated in Ringgit Malaysia.

B8 Off Balance Sheet Financial Instruments

There is no off balance sheet financial instruments as at the date of this quarterly report.

B9 Material Litigations

The Group is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this quarterly report.

B10 Earning Per Share ("EPS") / Loss Per Share ("LPS")

The basic EPS or LPS is calculated based on the Group's profit or loss attributable to ordinary equity holders of the parent for the current quarter and cumulative year to date, and divided by the weighted average number of shares of RM0.10 each in issue for the current quarter and cumulative year to date as follows :-

(a) Basic EPS / (LPS)

	3 months ended		Year-to-date	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Profit / (loss) from continuing operations attributable to ordinary equity holders of the Company (RM'000)	2,947	1,783	8,319	278
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)	2,947	1,783	8,319	278
Weighted average no. of ordinary shares of RM 0.10 each ('000)	152,684	144,731	152,684	144,731
Basic profit / loss per ordinary shares (sen) for:				
Profit / (loss) from continuing operations	1.930	1.232	5.449	0.192
Profit from discontinued operation	-	-	-	-
Profit / (loss) for the period	1.930	1.232	5.449	0.192

(b) Fully diluted earnings per share

The Group has no potential dilutive securities. As such, no dilutive effect on the earnings per share of the Group.

B11 Dividend

There is no dividend declared for the current financial quarter.

B12 Disclosure of Realised and Unrealised Profits/(Losses)

	As at	As at
	31.12.11	31.12.2010
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	15,376	6,777
- Unrealised	(1,409)	(1,094)
Total group retained profits as per consolidated accounts	13,967	5,683

B13 Status of Utilisation of Proceeds from Private Placement

Details of Utilisation	Proposed utilisation	Actual utilisation	Amount unutilised
	RM'000	RM'000	RM'000
<u>Working capital</u>			
- Payment of employees' salaries	943	943	-
- Payment to creditors	788	788	-
- Expenses for advertising and promotional activities	150	150	-
Estimated expenses for the Proposed Private Placement	70	64	6
Total	1,951	1,945	6

The amount is expected to be utilised within 12 months from the date of the completion of the Private Placement, being 5 August 2011.