



**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2012**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	3 MONTHS PERIOD ENDED		9 MONTHS PERIOD ENDED		
	Note	30 SEPTEMBER 2012	30 SEPTEMBER 2011	30 SEPTEMBER 2012	30 SEPTEMBER 2011
	RM	RM	Unaudited RM	Unaudited RM	
Revenue	17,060,209	10,712,904	49,303,553	30,147,793	
Cost of sales	<u>(10,786,804)</u>	<u>(6,014,684)</u>	<u>(32,313,910)</u>	<u>(18,585,157)</u>	
Gross Profit	6,273,405	4,698,220	16,989,643	11,562,636	
Other operating income	1,949	(5,236)	20,475	79,039	
Administrative expenses	<u>(3,039,301)</u>	<u>(2,215,028)</u>	<u>(7,727,640)</u>	<u>(5,694,666)</u>	
Profit from operations	3,236,053	2,477,956	9,282,478	5,947,009	
Finance costs	(70,148)	(157,131)	(303,021)	(494,070)	
Negative goodwill from acquisition of a subsidiary	-	-	-	65,183	
Pre-acquisition profit adjustment	-	-	-	(66,556)	
Profit before income tax	<u>3,165,905</u>	<u>2,320,825</u>	<u>8,979,457</u>	<u>5,451,566</u>	
Income tax expenses	(137,592)	(54,380)	(315,615)	(77,459)	
Profit for the period	<u>3,028,313</u>	<u>2,266,445</u>	<u>8,663,842</u>	<u>5,374,107</u>	
Profit attributable to:					
Equity Holders of the Parent	3,023,988	2,266,604	8,669,388	5,372,198	
Non controlling interest	<u>4,325</u>	<u>(159)</u>	<u>(5,546)</u>	<u>1,909</u>	
	<u>3,028,313</u>	<u>2,266,445</u>	<u>8,663,842</u>	<u>5,374,107</u>	
Earnings per share attributable to Equity Holders of the Parent					
- Basic (sen)	B10	1.77	1.48	5.28	3.52
- Diluted (sen)	B10	1.75	-	5.23	-

Note:

Certain expenses related to projects have been reclassified from administrative expenses to cost of sales in individual quarter and cumulative quarter 9 months period ended 30 September 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 2011.

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2012**

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 MONTHS PERIOD ENDED		9 MONTHS PERIOD ENDED	
	30 SEPTEMBER 2012	30 SEPTEMBER 2011	30 SEPTEMBER 2012	30 SEPTEMBER 2011
Note	RM	RM	RM	RM
Profit for the period	3,028,313	2,266,445	8,663,842	5,374,107
OTHER COMPREHENSIVE INCOME				
Exchange difference arising on translation of foreign operations	(99,228)	14,408	(122,077)	8,641
Amortisation of revaluation reserve	(8,943)	(9,126)	(26,831)	(27,379)
Other comprehensive income, net of tax	(108,171)	5,282	(148,908)	(18,738)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,920,142	2,271,727	8,514,934	5,355,369
Total comprehensive income attributable to:				
Equity Holders of the Parent	2,915,817	2,271,886	8,520,480	5,353,460
Non controlling interest	4,325	(159)	(5,546)	1,909
	2,920,142	2,271,727	8,514,934	5,355,369
	-	-	-	-

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2012**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Unaudited</i>	<i>Audited</i>
	30 SEPTEMBER 2012	31 DECEMBER 2011
	RM	RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	9,081,551	9,694,266
Goodwill on consolidation	6,663,251	6,663,251
Intangible assets	-	-
Development costs	5,116,319	13,354,710
	<u>20,861,121</u>	<u>29,712,227</u>
CURRENT ASSETS		
Inventories	43,243	46,889
Trade receivables	13,411,010	11,661,100
Other receivables, prepayments & deposits	8,238,088	576,163
Tax recoverable	891	891
Deposits placed with licensed bank	7,178,191	338,191
Cash and bank balances	3,080,139	3,116,748
	<u>31,951,562</u>	<u>15,739,982</u>
TOTAL ASSETS	<u>52,812,683</u>	<u>45,452,209</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	17,215,966	16,143,266
Share premium	6,329,333	5,552,373
Treasury Shares	(163,447)	-
Foreign currency translation reserve	2,981	125,058
Revaluation reserve	1,761,956	1,788,787
Legal Reserve	131,380	131,380
Share-based payment reserved in relating to ESOS	92,241	489,066
Retained profits	21,824,019	13,968,085
	<u>47,194,429</u>	<u>38,198,015</u>
Non controlling interest	12,622	18,168
TOTAL EQUITY	<u>47,207,051</u>	<u>38,216,183</u>
NON-CURRENT LIABILITIES		
Hire purchase payables	2,306,796	3,300,320
Finance lease payables	-	67,537
Deferred tax liabilities	19,292	19,293
	<u>2,326,088</u>	<u>3,387,150</u>
CURRENT LIABILITIES		
Trade payables	154,713	279,779
Other payables and accruals	1,714,321	1,952,087
Hire purchase payables	1,324,515	1,295,278
Finance lease payables	68,257	132,003
Taxation payables	17,738	189,729
Bank overdrafts - secured	-	-
	<u>3,279,544</u>	<u>3,848,876</u>
TOTAL LIABILITIES	<u>5,605,632</u>	<u>7,236,026</u>
TOTAL EQUITY AND LIABILITIES	<u>52,812,683</u>	<u>45,452,209</u>
	-	-
Number of ordinary shares at RM0.10 sen par each	172,159,666	161,432,666
Net Assets per share attributable to ordinary equity holders of the Company (sen)	<u>27.4</u>	<u>23.7</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 2011.

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2012**

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

	← Atributable to Equity Holders of the Company →					← Distributable →					
	Non-Distributable					Distributable					
	Share Capital	Share Premium	Share Based Payment Reserved	Treasury Shares	Foreign Currency Translation Reserve	Revaluation Reserve	Legal Reserve	Retained Profits	Sub-total	Non Controlling Interest	Total Equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Current period-to-date ended 30 SEPTEMBER 2012											
As at 1 January 2012	16,143,266	5,552,373	489,066	-	125,058	1,788,787	131,380	13,968,085	38,198,015	18,168	38,216,183
Issuance of shares pursuant to :-											
- ESOS	-	379,975	-	-	-	-	-	-	1,452,475	-	1,452,475
- Warrants Converted	200	160	-	-	-	-	-	-	360	-	360
Other Comprehensive income for the period	-	-	-	-	(122,077)	(26,831)	-	8,669,388	(148,908)	(5,546)	8,663,842 (148,908)
Total comprehensive income for the period	-	-	-	-	(122,077)	(26,831)	-	8,669,388	8,520,480	(5,546)	8,514,934
Amortisation of revaluation reserve	-	-	-	-	-	-	-	26,831	26,831	-	26,831
Acquisition of Subsidiary	-	-	-	-	-	-	-	-	-	-	-
Transfer to legal reserve	-	-	-	-	-	-	-	-	-	-	-
Share-based payments in relation to ESOS	-	-	-	-	-	-	-	-	-	-	-
Exercised of ESOS	-	396,825	(396,825)	-	-	-	-	-	-	-	-
Shares-Buy back	-	-	-	(163,447)	-	-	-	-	(163,447)	-	(163,447)
Interim Dividend paid	-	-	-	-	-	-	-	(840,285)	(840,285)	-	(840,285)
Balance at the end of period	17,215,966	6,329,333	92,241	(163,447)	2,981	1,761,956	131,380	21,824,019	47,194,429	12,622	47,207,051
Corresponding period-to-date ended 30 SEPTEMBER 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
Gain for the period	-	-	-	-	8,641	(27,379)	-	5,372,198	5,372,198	3,378	5,375,576 (18,738)
Other Comprehensive income for the period	-	-	-	-	8,641	(27,379)	-	-	(18,738)	-	(18,738)
Total comprehensive income for the period	-	-	-	-	8,641	(27,379)	-	5,372,198	5,353,460	3,378	5,356,838
Amortisation of revaluation reserve	-	-	-	-	-	-	-	27,379	27,379	-	27,379
Disposal of investment in SMR HR Singapore	-	-	-	-	-	-	-	32,195	32,195	-	32,195
Balance at the end of period	16,133,266	5,545,173	-	-	62,011	1,797,914	27,053	11,115,124	34,660,541	7,891	34,668,432

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 2011.

QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2012
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
(THE FIGURES HAVE NOT BEEN AUDITED)**

	CURRENT PERIOD ENDED 30 SEPTEMBER 2012	CORRESPONDING PERIOD ENDED 30 SEPTEMBER 2011
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	8,979,457	5,451,566
Adjustments for:		
Depreciation	1,388,889	1,322,856
Amortisation	2,162,432	2,276,176
Interest Income	(838)	(13,252)
Interest expenses	303,021	445,468
Loss / (gain) on Disposal PPE	-	(69,999)
PPE written off	1,173	-
Gain on disposal of subsidiary	-	(6,820)
Unrealised Foreign exchange loss	217,911	(128,423)
Pre-acquisition loss	-	66,556
Negative goodwill from acquisition of Subsidiary	-	(65,183)
Operating profit before working capital changes	13,052,045	9,278,945
Changes in working capital		
Receivables	(3,462,426)	(3,461,086)
Payables	(362,816)	(4,233,113)
Inventories	3,646	(33,768)
Cash (used in) / generated from operations	9,230,449	1,550,978
Tax paid	(500,558)	(292,325)
Interest expenses	(71,974)	(201,610)
Net cash generated from / (used in) operating activities	8,657,917	1,057,043
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(720,746)	(156,804)
Deposit held as security	(340,000)	357,500
Proceeds from disposal of property, plant & equipment	-	76,000
Development Cost	-	-
Interest Income	838	13,252
Net cash generated from / (used in) investing activities	(1,059,908)	289,948
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	1,502,833	1,957,496
Proceeds from disposal of investment in Subs	-	221,871
Share Buy Back	(163,446)	-
Investment in subsidiary	(49,998)	(228,688)
Repayment of hire purchase payables	(964,286)	(776,504)
Repayment of finance lease payables	(115,551)	(102,090)
Interim Dividend Paid	(840,287)	-
Interest paid	(231,047)	(243,858)
Net cash generated from / (used in) financing activities	(861,782)	828,227
Net decrease in cash and cash equivalents	6,736,227	2,175,218
Foreign exchange translation differences	(272,836)	1,045
Opening balance of cash and cash equivalents	3,116,748	(4,155,251)
Closing balance of cash and cash equivalents	9,580,139	(1,978,988)
Cash and cash equivalents		
Fixed deposits with licensed bank	7,178,191	310,302
Cash and bank balances	3,080,139	182,997
Overdraft	-	(2,161,985)
	10,258,330	(1,668,686)
Less: Deposits held as security	(678,191)	(310,302)
Closing balance of cash and cash equivalents	9,580,139	(1,978,988)
	-	(0)

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 2011.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2012**

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 2011. 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 2011.

b) Significant Accounting Policies

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 2011 except for the Group has adopted the Malaysian Financial Reporting Standards (MFRS) framework issued by Malaysian Accounting Standards Boards (MASB) with effect from 1 January 2012. This framework was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards (FRS) framework with the International Accounting Standards Boards. Whilst all FRSs issued under the existing FRSs framework are equivalent to the MFRSs issued under MFRSs framework except for the differences in relation to the transitional provisions as well as differences in effective dates contained in certain of the existing FRSs.

The Group had also adopted all the new and revised FRSs, amendments / improvements to FRSs and IC Int and amendments to IC Int , which are effective for annual periods beginning on or after 1 January 2012, other than disclosed as follows:-

		Effective for financial periods beginning on or after
<u>New FRSs</u>		
FRS 9	Financial Instruments	01-Jan-15
FRS 10	Consolidated Financial Statements	01-Jan-13
FRS 11	Joint Arrangements	01-Jan-13
FRS 12	Disclosures of Interests in Other Entities	01-Jan-13
FRS 13	Fair Value Measurement	01-Jan-13
<u>Revised FRSs</u>		
FRS 119	Employee Benefits	01-Jan-13
FRS 124	Related Party Disclosures	01-Jan-12
FRS 127	Separate Financial Statements	01-Jan-13
FRS 128	Investments in Associates and Joint Ventures	01-Jan-13
<u>Amendments / Improvements to FRSs</u>		
FRS 1	First-time Adoption of Financial Reporting Standards	01-Jan-12
FRS 7	Financial Instruments: Disclosures	01-Jan-12 and 01-Jan-2013
FRS 9	Financial Instruments	01-Mar-12
FRS 101	Presentation of Financial Statements	01-Jul-12
FRS 112	Income Taxes	01-Jan-12
FRS 132	Financial Instruments: Presentation	01-Jan-14

IC Int

IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	01-Jul-11
IC Int 20	Stripping Costs in the Production Phase of a Surface Mine	01-Jan-13

Amendments to IC Int

IC Int 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	01-Jul-11
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Due to the complexity of these new standards, the financial effects of their adoption are currently still being assessed by the Group.

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 2011 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:-

- During the current financial period to-date, the company issued additional 10,725,000 new ordinary shares of RM0.10 each at an exercise price RM0.135 and RM0.158 respectively pursuant to the Employee Shares Option Scheme ("ESOS").
- On 10 August 2012, the company had listed of and quotation for the 85,963,833 Warrants pursuant to the Bonus Issue of Warrant on the ACE Market of Bursa Malaysia Securities Berhad.
- During the current financial period to-date, the company issued additional 2,000 new ordinary shares of RM0.10 each at an exercise price RM0.18 pursuant to conversion of warrants to new ordinary shares.

The details movement of the issued and paid up capital and share premium reserved for the Company are as follows:-

	No. of shares Issued and fully paid up ordinary shares of RM0.10 each	Share Capital	Share Premium	Total
	'000	RM '000	RM '000	RM '000
As at January 2012	161,433	16,143	5,552	21,695
Issuance of shares via ESOS	10,725	1,073	380	1,453
Transfer of ESOS reserved upon exercised of ESOS	-	-	397	397
Conversion of Warrants to Ordinary Shares	2	0.20	0.16	0.36
As at 30 September 2012	172,160	17,216	6,329	23,545

- During the current financial year-to-date, the Company has repurchased 745,600 of its issued shares capital from the open market. The average price paid for the shares repurchased was RM0.2452 per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.

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

On 20 July 2012, the Company paid a tax exempt interim dividend of RM0.005 per ordinary share in respect of the financial year ended 31 December 2012 amounting to RM840,285.

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		9 months ended	
	30.09.12	30.09.11	30.09.12	30.09.11
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
- software & implementation services	5,168	5,235	6,344	7,698
- outsourcing, consulting, executive search services, learning & development	14,373	8,650	46,577	26,729
- investment holding & management services	-	-	-	-
Elimination of inter-segment sales	(2,480)	(3,172)	(3,617)	(4,279)
Total operations	17,061	10,713	49,304	30,148
Segment Results				
- software & implementation services	1,051	4,074	(2,737)	4,036
- outsourcing, consulting, executive search services, learning & development	2,465	(1,511)	12,618	2,051
- investment holding & management services	1,014	(269)	294	(685)
Consolidation adjustments	(1,502)	(28)	(1,511)	(28)
Profit after tax for total operations	3,028	2,266	8,664	5,374

(b) Analysis by geographical areas

	3 months ended 30 September 2012			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Consolidated RM'000
External sales	13,704	3,357	-	17,061
Inter-segment	1,730	750	(2,480)	-
Total	15,434	4,107	(2,480)	17,061

	9 months ended 30 September 2012			
	Malaysia RM'000	Overseas RM'000	Eliminations RM'000	Total Operations RM'000
External sales	45,631	3,673	-	49,304
Inter-segment	2,867	750	(3,617)	-
Total	48,498	4,423	(3,617)	49,304

Segment assets	81,073	3,227	(31,487)	52,813
Segment liabilities	27,224	1,675	(23,293)	5,606
Depreciation & amortisation	3,535	16	-	3,551

A10 Material Events Subsequent to the end of the current quarter

There were no material events subsequent to the current quarter under review.

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 AssetsAs at 30.09.2012
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	1,515
	<u>11,715</u>

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 of RM17.06 million with a profit before tax ("PBT") of RM3.17 million compared with a turnover of RM10.71 million and PBT of RM2.32 million in the same quarter of 2011 (Q3, 2011). This performance can be attributed to the special training projects and software sales.

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

The Group's revenue increased by 64% to RM49.30 million for the cumulative Q3, 2012 compared to the previous year's corresponding quarter. The increase was due to higher revenue generated from various special projects. PBT for the cumulative quarter of RM8.98 million compared with the PBT for the previous year's corresponding cumulative quarter of RM5.45 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 for the current quarter of RM3.17 million against RM4.28 million in the immediate preceding quarter (Q2, 2012). This was mainly due to decrease in revenue this quarter attributed to the challenging economic situation in our markets.

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 Gulf Co-operation Countries (GCC) 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 30.09.2012 RM'000	Cumulative Quarter 30.09.2012 RM'000
Income tax		
Current tax	108	286
(Over) / under provision of tax in prior year	29	29
Deferred tax liabilities	1	1
	138	316

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, other than disclosed as follows:-

On 5 September 2012, the Company had announced entered into a Sale and Purchase Agreement ("SPA") with Murugappan Kalaimani and Malayandi @ Kalaiarasu ("the Vendors") for the acquisition of 100% of the entire issued share capital of Management Made Easy Sdn Bhd ("MME") comprising 750,000 ordinary shares of RM1.00 each ("Sale Shares") for a total cash consideration of RM680,000.00 ("Purchase Consideration").

On 11 October 2012, MME had completed the Financial Due Diligence report. On 29 November 2012, the Company had announced that the acquisition has been completed in accordance with the SPA.

B7 Group Borrowings and Debt Securities

	31.09.2012 RM'000
Secured short -term	
Overdraft	-
Hire purchase payables	1,325
Lease assets payables	68
Secured long -term	
Hire purchase payables	2,307
Lease assets payables	-
Total borrowings	3,700

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")

The basic EPS is calculated based on the Group's profit 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

	3 months ended		Year-to-date	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
Profit attributable to ordinary equity holders of the parent (RM'000)	3,024	2,267	8,669	5,372
Weighted average no. of ordinary shares of RM 0.10 each ('000)	171,208	152,654	164,075	152,654
Basic profit per ordinary shares (sen)	1.766	1.485	5.284	3.519

(b) Fully diluted earnings per share

Diluted earnings per share amounts are calculated by dividing the Group's profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	3 months ended		Year-to-date	
	30.06.2012	30.06.2011	30.06.2012	30.06.2011
Profit attributable to ordinary equity holders of the parent (RM'000)	3,024	-	8,669	-
Weighted average no. of ordinary shares of RM 0.10 each ('000)	171,208	-	164,075	-
Effect of dilution for ESOS ('000)	1,775	-	1,775	-
Adjusted weighted average number of ordinary shares in issue and issuable	172,983	-	165,850	-
Diluted earnings per shares (sen)	1.748	-	5.227	-

B11 Proposed Dividend

The is no proposed dividend has been declared for the financial quarter under review.

B12 Disclosure of Realised and Unrealised Profits/(Losses)

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the retained profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits and losses.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

Pursuant to the directive, the amounts of realised and unrealised profits or losses included in the retained profits of the Group and the Company as at 31 December 2011 are as follows:-

	As at 30.09.12	As at 31.12.11
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries:		Audited
- Realised	22,451	14,377
- Unrealised	(627)	(409)
Total group retained profits as per consolidated accounts	<u>21,824</u>	<u>13,968</u>

The determination of realised and unrealised profits is based on Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, 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 Malaysia and should not be applied for any other purposes.