

JHM CONSOLIDATION BERHAD
Company No. 686148-A

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010
(The figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31.12.10 RM'000	Preceding Year Corresponding Quarter 31.12.09 RM'000	Current Year To Date 31.12.10 RM'000	Preceding Year Corresponding Period 31.12.09 RM'000
Revenue		13,247	12,271	49,243	30,281
Cost of sales		<u>(11,949)</u>	<u>(11,326)</u>	<u>(45,964)</u>	<u>(29,353)</u>
Gross profit / (loss)		1,298	945	3,279	928
Other operating income		931	1,328	3,731	2,394
Administrative expenses		<u>(1,395)</u>	<u>(841)</u>	<u>(4,401)</u>	<u>(3,692)</u>
Operating profit / (loss)		834	1,432	2,609	(370)
Finance costs		<u>(16)</u>	<u>(34)</u>	<u>(83)</u>	<u>(176)</u>
Profit / (Loss) before taxation		818	1,398	2,526	(546)
Taxation	18	<u>(176)</u>	<u>(22)</u>	<u>(530)</u>	<u>(22)</u>
Total comprehensive income for the period		<u>642</u>	<u>1,376</u>	<u>1,996</u>	<u>(568)</u>
Earnings / (Loss) per share attributable to shareholders of the Company (sen) :	27				
- Basic		<u>0.52</u>	<u>1.12</u>	<u>1.62</u>	<u>(0.46)</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this report)

JHM CONSOLIDATION BERHAD

Company No. 686148-A

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

(The figures have not been audited)

	Unaudited As At End Of Current Quarter 31.12.10 RM'000	Audited As At Preceding Financial Year End 31.12.09 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	17,654	16,872
Development costs	741	1,060
	<u>18,395</u>	<u>17,932</u>
CURRENT ASSETS		
Inventories	7,970	5,188
Trade receivables	9,614	9,334
Other receivables, deposits and prepayments	608	386
Tax recoverable	147	926
Cash and cash equivalents	1,370	1,557
	<u>19,709</u>	<u>17,391</u>
TOTAL ASSETS	<u>38,104</u>	<u>35,323</u>
EQUITY AND LIABILITIES		
Share capital	12,300	12,300
Share premium	2,954	2,954
Retained profits	9,357	7,361
Total equity	<u>24,611</u>	<u>22,615</u>
Non-current liabilities		
Hire purchase payables	493	978
Deferred tax liabilities	155	217
	<u>648</u>	<u>1,195</u>
Current liabilities		
Trade payables	8,571	7,701
Other payables and accruals	3,699	2,565
Hire purchase payables	575	1,247
	<u>12,845</u>	<u>11,513</u>
Total liabilities	<u>13,493</u>	<u>12,708</u>
TOTAL EQUITY AND LIABILITIES	<u>38,104</u>	<u>35,323</u>
Net assets per share (RM)	<u>0.2001</u>	<u>0.1839</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this report)

JHM CONSOLIDATION BERHAD

Company No. 686148-A

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010
(The figures have not been audited)**

	--- Non distributable ---		Distributable---	
	Share Capital RM'000	Share Premium RM'000	Retained Profit RM'000	Total RM'000
Balance as at 1 January 2010	12,300	2,954	7,361	22,615
Total comprehensive income for the period	-	-	1,996	1,996
Balance as at 31 December 2010	<u>12,300</u>	<u>2,954</u>	<u>9,357</u>	<u>24,611</u>

	--- Non distributable ---		Distributable---	
	Share Capital RM'000	Share Premium RM'000	Retained Profit RM'000	Total RM'000
Balance as at 1 January 2009	12,300	2,954	7,929	23,183
Total comprehensive income for the period	-	-	(568)	(568)
Balance as at 31 December 2010	<u>12,300</u>	<u>2,954</u>	<u>7,361</u>	<u>22,615</u>

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this report)

JHM CONSOLIDATION BERHAD

Company No. 686148-A

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**

(The figures have not been audited)

	Current Year To Date 31.12.10 RM'000	Preceding Year Corresponding Period 31.12.09 RM'000
Cash flows from operating activities		
Profit / (Loss) before taxation	2,526	(546)
Adjustments for :		
-Non cash items	3,590	3,179
-Interest expense	83	176
-Interest income	(1)	(10)
Operating profit before working capital changes	6,198	2,799
Inventories	(2,782)	1,548
Receivables	(443)	(7,423)
Payables	1,961	3,438
Cash generated from operations	4,934	362
Income tax paid	(34)	(171)
Income tax refund	222	317
Interest paid	(83)	(176)
Net cash generated from operating activities	5,039	332
Cash flows from investing activities		
Development costs	(87)	(84)
Interest received	1	10
Proceed from disposal of property, plant and equipment	9	88
Purchase of property, plant and equipment *	(3,897)	(1,013)
Net cash used in investing activities	(3,974)	(999)
Cash flows from financing activities		
Dividends paid	-	(1,230)
Payment of hire purchase payables	(1,252)	(1,736)
Net cash used in financing activities	(1,252)	(2,966)
Net decrease in cash and cash equivalents	(187)	(3,633)
Effects of changes in exchange rates	-	39
Cash and cash equivalents at beginning	1,557	5,151
Cash and cash equivalents at end	1,370	1,557
Cash and cash equivalent comprise:		
Short term funds with a licensed financial institution	2	51
Cash and bank balances	1,368	1,506
	1,370	1,557
Notes :		
* Purchase of property of property, plant and equipment		
Total acquisition cost	3,992	1,013
Acquired under hire purchase loans	(95)	-
Total cash acquisition	3,897	1,013

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this report)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

Explanatory notes in compliance with the reporting requirements of FRS 134 - Interim Financial Reporting

1. Basis Of Preparation

The interim financial report is unaudited and is prepared in accordance with FRS 134 "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), and should be read in conjunction with the Group's audited financial statement for the year ended 31 December 2009.

The accounting policies and presentation adopted for the interim financial report are consistent with those adopted for the annual financial statements for the year ended 31 December 2009, except for the adoption of the following:

Financial Reporting Standards ("FRSs")	Effective Date
FRS 4 - Insurance Contracts	1 January 2010
FRS 7 - Financial Instruments: Disclosures	1 January 2010
FRS 101 - Presentation of Financial Statements (revised)	1 January 2010
FRS 123 - Borrowing Costs	1 January 2010
FRS 139 - Financial Instruments: Recognition and Measurement	1 January 2010
FRS 1 - First-time Adoption of Financial Reporting Standards (amended)	1 July 2010
FRS 3 - Business Combination (revised)	1 July 2010
FRS 127 - Consolidated and Separate Financial Statements (amended)	1 July 2010

Other than the new, revised and amended FRSs as stated above, the Group has also adopted various amendments and IC interpretations relating to the existing FRSs adopted by the Group.

The adoption of the aforementioned standards, amendments and interpretations do not have any material impact on the financial statements of the Group except for the adoption of the following standards:

(a) FRS 101 – Presentation of Financial Statements (revised)

The revised FRS 101 requires changes in the format of the financial statements including the amounts directly attributable to shareholders in the primary statements, but does not affect the measurement of reported profit or equity. The Group has elected to show other comprehensive income in one statement of comprehensive income and hence, all owner changes in equity are presented in the consolidated statement of changes in equity, whereas non-owner changes in equity are shown in the consolidated statement of comprehensive income.

(b) FRS 7 – Financial Instruments: Disclosures

This standard requires additional disclosures regarding fair value measurements and liquidity risk in the full year financial statements, and has no effect on reported profit or equity. However, FRS 7 disclosures are not required in the interim financial statements, and hence, no further disclosures has been made in these interim financial statements.

(c) FRS 139 - Financial Instruments : Recognition and Measurement

A financial instrument is recognised in the financial statements when, and only when, the Group becomes a party to the contractual provision of the instrument. It is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

The Group categories its financial instruments as follows :

Financial assets

The Group's financial assets which comprise of trade and other receivables and cash and cash equivalents are categorised under loans and receivables.

These financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method and are subject to impairment review.

Financial liabilities

The Group's financial liabilities which comprise of trade and other payables and borrowings are subsequently measured at amortised cost using the effective interest method.

2. Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the financial statements of the Group for the FYE 31 December 2009 were not subject to any audit qualification.

3. Seasonality Or Cyclicity Factors

The Group's operations were not materially affected by any major seasonal or cyclical changes during the quarter under review.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or exceptional items for the current quarter to date under review.

JHM CONSOLIDATION BERHAD

Company No. 686148-A

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**Explanatory notes in compliance with the reporting requirements of FRS 134 - Interim Financial Reporting****5. Material Changes In Estimates Of Amounts Reported**

There were no material changes in the estimates used for the preparation of this interim financial report.

6. Debt And Equity Securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter under review.

7. Dividends Paid

No dividend has been paid in respect of the current quarter under review.

8. Segmental Information

Segmental information is presented in respect of the Group's business segments.

Results for the Year-To-Date ended 31 December 2010

	Components related to HB LED RM'000	Fine Pitch Connector Pins RM'000	Other Electronic Components RM'000	Holding Company's Interest Income RM'000	Elimination	Total RM'000
Segment Revenue						
Revenue from external customers	35,171	10,645	3,426	1	-	49,243
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>35,171</u>	<u>10,645</u>	<u>3,426</u>	<u>1</u>	<u>-</u>	<u>49,243</u>
Segment Results	2,186	272	294	(144)	-	2,608
Interest income in subsidiaries						0
Interest expense						(83)
Profit before taxation						<u>2,526</u>
Taxation						<u>(530)</u>
Net profit for the period						<u><u>1,996</u></u>

Results for the Year-To-Date ended 31 December 2009

	Components related to HB LED RM'000	Fine Pitch Connector Pins RM'000	Other Electronic Components RM'000	Holding Company's Interest Income RM'000	Elimination	Total RM'000
Segment Revenue						
Revenue from external customers	20,523	7,688	2,069	1	-	30,281
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>20,523</u>	<u>7,688</u>	<u>2,069</u>	<u>1</u>	<u>-</u>	<u>30,281</u>
Segment Results	(216)	47	(14)	(196)	-	(379)
Interest income in subsidiaries						9
Interest expense						(176)
Profit before taxation						<u>(546)</u>
Taxation						<u>(22)</u>
Net profit for the period						<u><u>(568)</u></u>

9. Valuation Of Property, Plant And Equipment

There has been no revaluation of property, plant and equipment during the quarter ended 31 December 2010.

As at 31 December 2010, all property, plant and equipment were stated at cost less accumulated depreciation.

10. Material Post Balance Sheet Events

There were no material events subsequent to the end of the current quarter under review and up to the date of this announcement.

11. Changes In The Composition Of The Group

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

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Company No. 686148-A

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**Explanatory notes in compliance with the reporting requirements of FRS 134 - Interim Financial Reporting****12. Contingent Liabilities And Contingent Assets**

There were no changes in contingent liabilities and contingent assets since the last annual balance sheet as at 31 December 2009.

13. Capital Commitments

There were no outstanding capital commitments at the end of the quarter under review.

14. Review Of Performance For The Current Financial Quarter And Financial Year-To-Date

	Current Year Quarter 31.12.10 RM'000	Preceding Year Corresponding Quarter 31.12.09 RM'000	Current Year To Date 31.12.10 RM'000	Preceding Year Corresponding Period 31.12.09 RM'000
Revenue	13,247	12,271	49,243	30,281
Profit/(Loss) before tax	818	1,398	2,526	(546)

The Group revenue has increased by RM18.96 million or 62.62% from RM30.28 million in the preceding year corresponding period to RM49.24 million for the current period ended 31 December 2010. The revenue for the current quarter has increased by RM0.98 million or 7.95% from RM12.27 million in the preceding year's corresponding quarter to RM13.25 million.

In line with the increase in revenue, the Group registered a higher profit before taxation of RM2.53 million for the current year as compared to a loss before taxation of RM0.55 million in the preceding year's corresponding period. However, profit before taxation for the current quarter dropped by RM0.58 million as compared to the preceding year's corresponding quarter as a result of higher administrative expense incurred and lower other operating income from scrap sales.

15. Comment On Material Change In Profit Before Taxation With Immediate Preceding Quarter

	Current Quarter 31.12.10 RM'000	Immediate Preceding Quarter 30.09.10 RM'000
Revenue	13,247	12,999
Profit before taxation	818	881
PBT margin	6.17%	6.78%

The Group revenue for the current quarter increased by RM0.25 million or 1.91% from the previous quarter's revenue of RM13.00 million. However, the Group profit before taxation dropped slightly by RM0.063 million as compared to the immediate preceding quarter as a result of higher administrative expenses incurred during the period.

16. Commentary On Prospects

With the improvement of demand in electrical and electronic industry coupled with the improving margin, the Directors believe that the Group will perform satisfactorily for the coming financial year.

17. Profit Forecast Or Profit Guarantee

Not applicable as no profit forecast or profit guarantee was announced or published.

18. Taxation

	Current Quarter 31.12.10 RM'000	Current Year To Date 31.12.10 RM'000
Taxation comprise the following :		
Based on results or the period		
- Current taxation	238	592
- Deferred tax	(62)	(62)
	<u>176</u>	<u>530</u>

19. Sales Of Unquoted Investments And Properties

There were no disposal of unquoted investments and properties for the current quarter under review and financial year-to-date.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**Explanatory notes in compliance with the reporting requirements of FRS 134 - Interim Financial Reporting****20. Purchase Or Disposal Of Quoted Securities**

There were no purchase or disposal of quoted securities for the current quarter and financial year-to-date.

21. Corporate Proposals

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

22. Utilisation Of Initial Public Offering Proceeds

As at 31 December 2010, the Company has fully utilised the proceeds raised from its initial public offering and has not undertaken any corporate proposal to raise any proceeds during the current quarter under review and financial year-to-date.

23. Group Borrowings And Debt Securities

Particulars of the Group's borrowings denominated in Ringgit Malaysia as at 31 December 2010 are as follow:-

Group borrowings	RM'000
<u>Short term</u>	
Hire purchase payables - Secured	<u>575</u>
<u>Long term</u>	
Hire purchase payables - Secured	<u>493</u>
Total	<u>1,068</u>

24. Off Balance Sheet Financial Instruments

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

25. Dividend Payable

No interim or final ordinary dividend was proposed or declared for the financial period ended 31 December 2010.

26. Disclosures of Realised And Unrealised Profits/Losses

With the purpose of improving transparency, Bursa Malaysia Securities Berhad has on 25 March 2010, and subsequently on 20 December 2010, issued directives which require all listed corporations to disclose the breakdown of unappropriated profits or accumulated losses into realised and unrealised on group basis in the quarterly reports.

The breakdown of unappropriated profits as at the reporting date has been prepared by the Directors in accordance with the directives from Bursa Malaysia Securities Berhad stated above and the Guidance on Special Matter No. 1 - Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants are as follows :

	Current Quarter 31.12.10 RM'000	Immediate Preceding Quarter 30.09.10 RM'000
Realised	9,278	8,619
Unrealised:		
-Deferred tax	62	0
-Unrealised gain on foreign exchange	17	96
	79	96
Total group retained profits as per consolidated accounts	<u>9,357</u>	<u>8,715</u>

Note: Comparative figures are not required in the first financial year of complying with the Realised and Unrealised Profits/Losses Disclosure.

JHM CONSOLIDATION BERHAD

Company No. 686148-A

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**Explanatory notes in compliance with the reporting requirements of FRS 134 - Interim Financial Reporting****27 Earnings/(Loss) Per Share**

The basic earnings/(loss) per share for the quarter and cumulative year to date are computed as follow:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.12.10	Preceding Year Corresponding Quarter 31.12.09	Current Year To Date 31.12.10	Preceding Year Corresponding Period 31.12.09
Net profit/(loss) for the period (RM'000)	<u>642</u>	<u>1,376</u>	<u>1,996</u>	<u>(568)</u>
Weighted average number of ordinary shares of RM0.10 each in issue ('000)	<u>123,000</u>	<u>123,000</u>	<u>123,000</u>	<u>123,000</u>
Basic Earnings/(Loss) Per Share based on weighted average number of ordinary shares of RM0.10 each in issue (sen)	<u>0.52</u>	<u>1.12</u>	<u>1.62</u>	<u>(0.46)</u>

There is no diluted earnings/(loss) per share as the Company does not have any convertible financial instruments as at the current year
