

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2010**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/12/2010 (RM'000)	Preceding Year Corresponding Quarter 31/12/2009 (RM'000)	Current Year To Date 31/12/2010 (RM'000)	Preceding Year Corresponding Year 31/12/2009 (RM'000)
Revenue	101,514	137,241	472,214	546,041
Operating expenses	(97,947)	(135,501)	(453,115)	(542,123)
Other operating income	26	548	474	4,030
Profit from operations	3,593	2,288	19,573	7,948
Fair value gain on derivative financial instruments	11	-	17	-
Fair value gain on financial assets at fair value through profit or loss	400	-	521	-
Fair value loss on available-for-sale financial assets	-	-	(97)	-
Impairment loss on quoted investments	-	(1,219)	-	(13,531)
Income from other investments and finance	17	42	971	360
Impairment of plant, property and equipment and other assets	(1,439)	(1,053)	(12,439)	(1,815)
Severance payment	(884)	-	(884)	-
Profit/(loss) before tax	1,698	58	7,662	(7,038)
Taxation	(2,195)	(1,583)	(3,842)	(4,041)
Net profit/(loss) for the period/year	(497)	(1,525)	3,820	(11,079)
Other comprehensive income after tax:				
Net currency translation differences	1,635	(109)	1,927	(264)
Net fair value gain on available-for-sale financial assets	1,815	-	4,186	-
Other comprehensive income/(loss) for the period/year, net of tax	3,450	(109)	6,113	(264)
Total comprehensive income/(loss) for the period/year	2,953	(1,634)	9,933	(11,343)
Net profit/(loss) attributable to:				
- Owners of the parent	(497)	(1,523)	3,819	(11,079)
- Minority interest	-	(2)	1	-
	(497)	(1,525)	3,820	(11,079)
Total comprehensive income/(loss) attributable to:				
- Owners of the parent	2,953	(1,632)	9,932	(11,343)
- Minority interest	-	(2)	1	-
	2,953	(1,634)	9,933	(11,343)
Earnings per share (sen) for profit/(loss) attributable to owners of the parent:				
- basic/diluted	(0.33)	(1.00)	2.50	(7.26)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010**

	Unaudited as at 31/12/2010 (RM'000)	Restated as at 31/12/2009 (RM'000)
Non-current assets		
Property, plant and equipment	58,310	77,385
Investment properties	10,367	10,799
Available-for-sale financial assets	19,429	-
Other investments	-	12,570
Intangible asset	10,799	12,704
Prepaid lease rental	5,126	5,320
Deferred tax assets	1,461	4,840
	<u>105,492</u>	<u>123,618</u>
Current assets		
Inventories	73,316	75,819
Trade receivables	65,602	109,295
Amount due from immediate holding company	9,243	14,000
Amounts due from related companies	1,917	675
Other receivables, deposits and prepayments	23,164	11,782
Derivative financial asset	17	-
Tax recoverable	977	1,400
Financial assets at fair value through profit or loss	48,521	-
Deposits and cash balances	16,501	41,893
	<u>239,258</u>	<u>254,864</u>
Current liabilities		
Trade payables	21,379	46,587
Other payables and accrued expenses	59,412	65,006
Amount due to penultimate holding company	1,535	1,473
Tax payable	1,864	561
	<u>84,190</u>	<u>113,627</u>
Net current assets	155,068	141,237
Non-current liabilities		
Provision for retirement benefits	5,313	6,146
Deferred tax liabilities	1,416	4,978
	<u>6,729</u>	<u>11,124</u>
Net assets	<u>253,831</u>	<u>253,731</u>
Capital and reserves attributable to owners of the parent		
Share capital	153,548	153,548
Reserves	101,910	101,808
Treasury shares	(1,853)	(1,850)
	<u>253,605</u>	<u>253,506</u>
Minority interest	226	225
Total equity	<u>253,831</u>	<u>253,731</u>
Net assets per share (RM) attributable to owners of the parent	<u>1.66</u>	<u>1.66</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2010**
Attributable to owners of the parent

	Issued Share Capital (RM'000)	Share Premium (RM'000)	Capital Reserve (RM'000)	Fair Value Reserve (RM'000)	Foreign Exchange Reserve (RM'000)	Retained Earnings (RM'000)	Treasury Shares (RM'000)	Total (RM'000)	Minority Interest (RM'000)	Total Equity (RM'000)
12 months period ended 31 December 2009										
Balance as at 1 January 2009	153,548	34,445	1	-	2,529	86,484	(1,847)	275,160	225	275,385
Currency translation differences	-	-	-	-	(264)	-	-	(264)	-	(264)
Net loss for the year	-	-	-	-	-	(11,079)	-	(11,079)	-	(11,079)
Total comprehensive loss for the year	-	-	-	-	(264)	(11,079)	-	(11,343)	-	(11,343)
Treasury shares	-	-	-	-	-	-	(3)	(3)	-	(3)
Dividends (Final for 2008)	-	-	-	-	-	(6,872)	-	(6,872)	-	(6,872)
Dividends (Interim for 2009)	-	-	-	-	-	(3,436)	-	(3,436)	-	(3,436)
Balance as at 31 December 2009	153,548	34,445	1	-	2,265	65,097	(1,850)	253,506	225	253,731
12 months period ended 31 December 2010										
Balance as at 1 January 2010	153,548	34,445	1	-	2,265	65,097	(1,850)	253,506	225	253,731
Effects of adopting FRS 139 (Note 1)	-	-	-	2,770	-	-	-	2,770	-	2,770
Balance as at 1 January 2010, as restated	153,548	34,445	1	2,770	2,265	65,097	(1,850)	256,276	225	256,501
Fair value gain on available-for-sale financial assets	-	-	-	4,186	-	-	-	4,186	-	4,186
Currency translation differences	-	-	-	-	1,927	-	-	1,927	-	1,927
Net profit for the year	-	-	-	-	-	3,819	-	3,819	1	3,820
Total comprehensive income for the year	-	-	-	4,186	1,927	3,819	-	9,932	1	9,933
Treasury shares	-	-	-	-	-	-	(3)	(3)	-	(3)
Dividends (Final for 2009)	-	-	-	-	-	(6,872)	-	(6,872)	-	(6,872)
Dividends (Interim for 2010)	-	-	-	-	-	(5,728)	-	(5,728)	-	(5,728)
Balance as at 31 December 2010	153,548	34,445	1	6,956	4,192	56,316	(1,853)	253,605	226	253,831

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2010**

	12 months ended <u>31/12/2010</u> (RM'000)	12 months ended <u>31/12/2009</u> (RM'000)
Cash flows from operating activities		
Profit/(loss) before tax	7,662	(7,038)
Adjustments for non-cash items	<u>32,252</u>	<u>30,772</u>
Operating profit before working capital changes	39,914	23,734
Net change in current assets	28,715	10,239
Net change in current liabilities	<u>(28,867)</u>	<u>(5,154)</u>
Cash flows from operations	39,762	28,819
Other operating activities	<u>(3,270)</u>	<u>(1,047)</u>
Net cash flows from operating activities	36,492	27,772
Net cash flows (used in)/from investing activities	(48,903)	6,806
Net cash flows used in financing activities	<u>(12,601)</u>	<u>(10,308)</u>
Net (decrease)/increase in cash and cash equivalents	(25,012)	24,270
Cash and cash equivalents at beginning of year	41,893	16,868
Effects of foreign exchange on opening balance	<u>(380)</u>	<u>755</u>
Cash and cash equivalents at end of year	<u>16,501</u>	<u>41,893</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2010

1. Accounting Policies and Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009. The explanatory notes attached to the interim financial statements 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 financial year ended 31 December 2009.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year 31 December 2010 except for the adoption of the new Financial Reporting Standards (FRSs), amendments and other interpretations that are effective for financial statements beginning 1 January 2010.

The FRSs adopted by the Group effective from 1 January 2010 are:

FRSs, Improvements or Amendments to FRSs and Interpretations

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Statement of Cash Flows
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events after the Reporting Period
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 118	Revenue
Amendment to FRS 119	Employee Benefits
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 128	Investments in Associates
Amendments to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 138	Intangible Assets
Amendment to FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, minimum Funding Requirements and their Interaction

1. Accounting Policies and Basis of Preparation (continued)

The FRSS, which are effective commencing 1 January 2010 and which could have significant impact on the financial statements and applied by the Group are:

a) FRS 8: Operating Segments

The Group's segmental reporting was presented based on the chief operating decision maker who makes decisions on the allocation of resources and assesses the performance of the reportable segments. The adoption of this standard does not have any impact on the financial position and results of the Group.

b) FRS 101 : Presentation of Financial Statements

The Group has elected to present the income statement and statement of comprehensive income in one single statement. As a result, the all non-owner changes in equity have been presented as a single line labeled total comprehensive income for the period. Comparative figures have been reclassified to conform to the current period's presentation. The adoption of this standard does not have any impact on the financial position and results of the Group.

c) Amendment to FRS 117: Leases

Prior to the adoption of the Amendment to FRS 117, leasehold land was treated as operating lease. The considerations were classified as prepaid leasehold land in the statement of financial position. With the adoption of the Amendment to FRS 117, the classification of a leasehold land as a finance lease or an operating lease is based on the extent to which risks and rewards incident to ownership lie. Accordingly, the Group has reclassified the leasehold land to property, plant and equipment. The reclassification has been accounted for retrospectively in accordance with the transitional provision and certain comparative balances have been restated.

The effects of the reclassification of the comparatives following the adoption of the Amendment to FRS 117 as mentioned above are as follow:

<u>RM'000</u>	<u>As previously reported as at 31 Dec 2009</u>	<u>Effects of Amendment to FRS 117</u>	<u>As restated as at 31 Dec 2009</u>
Prepaid lease rental	13,726	(8,406)	5,320
Property, plant and equipment	68,979	8,406	77,385
Total	<u>82,705</u>	<u>-</u>	<u>82,705</u>

d) FRS 139 : Financial Instruments: Recognition and Measurement

Forward foreign currency exchange contracts of the Group have been measured at fair value and the changes in the fair value are recognised in the income statement.

Available-for-sale financial assets of the Group have been measured at fair value and changes in the fair value are recognised directly in equity as "Fair Value Reserve" until the investment is derecognised, at which time, the cumulative gain or loss is removed from the Fair Value Reserve and is recognised in the income statement. In the case where the investment is determined to be impaired, the cumulative loss is removed from the Fair Value Reserve and is recognised in the income statement.

Financial assets at fair value through profit or loss of the Group have been measured at fair value and changes in the fair value are recognised in the income statement.

1. Accounting Policies and Basis of Preparation (continued)

In accordance with the transitional provision of FRS 139, the above changes are applied prospectively and the comparatives as at 31 December 2009 are not restated. Instead the changes have been accounted for by restating the opening balance of the balance sheet as at 1 January 2010.

RM'000	<u>As previously reported as</u> <u>at 1 Jan 2010</u>	<u>Effects of adopting</u> <u>FRS 139</u>	<u>As restated as at</u> <u>1 Jan 2010</u>
Assets			
Other investments	12,570	(12,570)	-
Available-for-sale financial assets	-	15,340	15,340
Total	12,570	2,770	15,340
Equity			
Fair value reserve	-	2,770	2,770
Total	12,570	2,770	2,770

The following new FRSs and Interpretations which are applicable to the Group were issued but not yet effective and have not been applied by 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 Combination
FRS 127 (revised)	Consolidated and Separate Financial Statement
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operation
Amendments to FRS 138	Intangible Assets
Amendments to FRS 139	Financial Instruments : Recognition and Measurement
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation

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 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosure about Financial Instruments
IC Interpretation 4	Determining whether an Arrangement contains a Lease
Improvements to FRSs (2010)	

Effective for financial period beginning on or after 1 January 2012

FRS 124 (revised)	Related Party Disclosures
Amendments to IFRS 7	Disclosures – Transfers of Financial Assets
Amendments to IAS 12	Deferred Tax – Recovery of Underlying Assets

The new FRSs and Interpretations above are expected to have no significant impact on the financial statements of the Group upon their initial application.

2. Disclosure of Preceding Year Unqualified Audit Report

The preceding year's audit report for the year ended 31 December 2009 was unqualified.

3. Cyclicity of Operations

The operations were normally influenced by higher demand during festive periods.

4. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cash Flow

The Group closed its manufacturing plant in Kuching and consolidated its operations with the Johor Bahru plant. As a result, there was a severance payment of RM0.9 million and impairment of RM1.4 million in this quarter.

5. Quarterly Estimations

There was no material change in the estimation methods used in this interim reporting quarter, which will have a material effect on the financial results.

6. Debt and Equity Securities

During the quarter, the Company purchased 1,000 of its own shares of RM1.00 each at the price of RM1.63 per share from the open market on Bursa Malaysia. The shares are held as treasury shares and the purchase was financed by internally generated funds.

As at 31 December 2010, the total treasury shares purchased amounted to 843,900 ordinary shares of RM1.00 each at the average price of RM2.20 per share. These shares purchased are being held as treasury shares as allowed under Section 67A of the Companies Act, 1965. None of these treasury shares have been sold or cancelled.

7. Segmental Reporting

12 months period ended 31 December 2009	<u>Malaysia</u> (RM'000)	<u>Singapore</u> (RM'000)	<u>Indonesia</u> (RM'000)	<u>Others</u> (RM'000)	<u>Total</u> (RM'000)
Revenue	446,624	68,373	30,933	111	546,041
(Loss)/profit before tax	(6,125)	1,709	(2,635)	13	(7,038)
12 months period ended 31 December 2010					
Revenue	384,741	79,109	8,312	52	472,214
Profit/(loss) before tax	11,140	725	(4,140)	(63)	7,662
Assets as at:	<u>Malaysia</u> (RM'000)	<u>Singapore</u> (RM'000)	<u>Indonesia</u> (RM'000)	<u>Others</u> (RM'000)	<u>Total</u> (RM'000)
31 December 2009	332,304	3,269	25,003	11,666	372,242
31 December 2010	310,728	4,059	11,617	15,908	342,312

<u>Assets Reconciliation</u>	<u>As at 31 Dec 2010 (RM'000)</u>	<u>As at 31 Dec 2009 (RM'000)</u>
Segment assets	342,312	372,242
Deferred tax assets	1,461	4,840
Tax recoverable	977	1,400
Total assets	344,750	378,482

8. Valuations of Property, Plant and Equipment

There was no amendment to the valuations of property, plant and equipment brought forward.

9. Significant Events

There was no significant event for the current reporting quarter.

10. Subsequent Events

There was no subsequent event for the current reporting quarter.

11. Changes in the Composition of the Group

There was no change in the composition of the Group for the current reporting quarter.

12. Contingent Liabilities

There was no change in the status of contingent liabilities since the last annual balance sheet date except as disclosed in Note 25 to the financial statements.

13. Performance of the Group

The Group recorded revenue of RM101.5 million for the current quarter under review, compared to RM137.2 million generated for the same quarter last year, a reduction of 26%. Overall, for the financial year ended 31 December 2010, the Group revenue has dropped from RM546.0 million to RM472.2 million, representing a 14% drop in revenue. The lower revenue was mainly due to the termination of the distribution rights for Red Bull products since second quarter and lower sales to Indonesia due to the cancellation of the 15 import numbers. However, sales in Yeo's brand products registered a growth of 10%.

In this quarter under review, the Group recorded an operating profit of RM3.6 million as compared to RM2.3 million in the previous corresponding quarter. On a year-to-date basis, operating profit had also improved to RM19.6 million compared to RM7.9 million in the preceding year-to-date. The improved result was due to higher sales and higher margin from Yeo's brand products, lower material costs and better control on overhead costs.

The Group closed its manufacturing plant in Kuching and consolidated its operations with the Johor Bahru plant. As a result, there was a severance payment of RM0.9 million and impairment of RM1.4 million in this quarter.

The Group recorded a pre-tax profit of RM1.7 million for the current quarter against a pre-tax profit of RM0.1 million in the previous corresponding quarter. Despite impairment of RM1.4 million and severance cost of RM0.9 million, there was still an improvement in pre-tax profit mainly due to improved operating results. The year-to-date pre-tax profit had also improved to RM7.7 million as compared to a loss of RM7.0 million in the preceding year-to-date mainly due to better operating profit and lower impairment charges.

14. Material Change in Profit Before Tax As Compared to the Immediate Preceding Quarter

The Group recorded an operating profit of RM3.6 million for the current quarter compared to RM5.2 million in the immediate preceding quarter. This was due to higher festive season sales in preceding quarter.

The Group recorded a pre-tax profit of RM1.7 million for the current quarter against a pre-tax profit of RM5.7 million as compared to the immediate preceding quarter. This is due to lower sales, severance payment and impairment cost charged in the current quarter.

15. Prospects of the Group

The Group is positive on its prospect for the coming year. It will continue to grow its operating profit further through brand building, promotion efforts and cost management.

16. Capital Commitment

Authorised capital commitments not provided and not contracted for in the interim financial statements as at 31 December 2010 in respect of property, plant and equipment for the business operations consolidation amount to RM29.5 million.

17. Variance from Profit Forecast

Not applicable.

18. Taxation

The tax is as follows:

	<u>Current Quarter</u> (RM'000)	<u>YTD</u> (RM'000)
Income tax:		
Current tax	1,514	3,294
Under provision in prior year	827	736
Deferred tax:		
Origination and reversal of temporary differences	301	(105)
Over provision in prior year	(447)	(83)
	<u>2,195</u>	<u>3,842</u>

The Group's effective tax rate of 129% in the current quarter ended 31 December 2010 was higher than the statutory tax rate of 25% mainly due to the disallowed expenses from impairment cost and the adjustment for under provision of income tax in prior years.

The Group's effective tax rate of 50% in the current year to date ended 31 December 2010 was higher than the statutory tax rate of 25% mainly due to disallowed expenses from impairment cost and the adjustment for under provision of income tax in prior years.

19. Gain on Sale of Properties

There was no sale of properties for the current reporting quarter.

20. Quoted Securities

a) During the quarter, the Company sold RM16 million of quoted securities, which are classified as financial assets at fair value through profit or loss.

b) Investments in quoted shares as at 31 December 2010 are as follow:

	<u>Available-for sale</u> <u>financial assets</u> (RM'000)	<u>Financial assets at fair value</u> <u>through profit or loss</u> (RM'000)
At cost	<u>27,395</u>	<u>48,000</u>
Book value/market value	<u>19,429</u>	<u>48,521</u>

21. Corporate Proposals

There was no corporate proposal announced but not completed as at the date of this report.

22. Group Borrowings

There was no borrowing as at the end of the reporting period.

23. Financial Instruments

a) Derivatives

The Group has entered into some forward foreign exchange currencies contracts to hedge its exposure to fluctuations in foreign currency arising from sales and purchases.

The details of the open foreign exchange forward contracts are as follows:

	Amount in original currency SGD million	Average Contract Rate	Contract Value RM million	Fair Value (favourable) RM million
Less than 1 year	1.300	2.38	3.099	0.017

The derivatives have been recorded on the Consolidated Statement of Financial Position for this reporting period in compliance with FRS 139 as set out in Note 1(d).

The above instruments are executed with credit worthy financial institutions in Malaysia and as such credit and counterparties risks are minimal. There are no transaction costs at the inception of these contracts. The Group is exposed to minimal cash flow risk in view of its healthy cash position.

b) Gains/(losses) arising from fair value changes in financial liabilities

There was no gain/(loss) arising from fair value changes in financial liabilities in this reporting period.

24. Supplementary information disclosed pursuant to Bursa Malaysia Securities Berhad Listing Requirements

The following analysis of realised and unrealised retained profits/(accumulated losses) at the legal entity level is prepared in accordance with 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 whilst the disclosure at the group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

Realised and Unrealised Profits or Losses

	As at 31 Dec 2010 RM'000
Total retained profits of Yeo Hiap Seng (M) Berhad and it's subsidiaries:	
- Realised	52,211
- Unrealised	(605)
	51,606
Add : Consolidation adjustments	4,710
Total Group retained profits as per consolidated accounts	56,316

25. Material Litigations

There was no change in material litigations since the last annual audited financial statements other than the following:

- (i) The Board of Directors announced on 2 February 2010 that the Jakarta High Court had decided in favour of the Company and its subsidiary, PT YHS Indonesia regarding a suit filed by PT Kharisma Inti Persada ("the Plaintiff"), claiming for approximately Rupiah219.9 billion (approximately RM77 million) for an alleged breach of an alleged agreement and an alleged distributor's appointment. The Company has on 23 March 2010 received a formal notification from the Central Jakarta District Court that the Plaintiff has filed an appeal against the Jakarta High Court's decision and the Company has on 5 April 2010 filed a counter memorandum to the Court. The Company is still awaiting the high court decision and there has been no change in status since the last quarter reporting.

25. Material Litigations (continued)

- (ii) The Board of Directors announced on 11 March 2010 that the High Court of Shah Alam has on 10 March 2010 vide the proceedings under Civil Suit no. MT3-22-936-2003 granted judgement against the Company in favour of F.Y. Sdn Bhd, for the alleged breach of an agreement. The High Court did not award the quantum of damages and ordered that damages be assessed before the Registrar of the High Court. Our lawyer has advised that we have a strong case to appeal and a memorandum of appeal has been filed with the Court on 28 June 2010. There has been no change in status since the last quarter reporting.
- (iii) The Board of Directors announced on 27 May 2010 that in 2003 a legal action was brought by Padu Bistari Development Sdn Bhd ("the Plaintiff") against the Company for damages of approximately RM6.7 million and interest thereon for an alleged unlawful termination of a lease agreement entered between the parties on 2 September 1997 for the lease of the land at Lot No. 3858 EMR 3294 Mukim Cenderiang, District of Batang Padang, Perak Darul Ridzuan for the purpose of extracting of underground water, bottling warehousing and/or any other products from the land. The matter was mentioned before the judge on 29 July 2010 at the Ipoh High Court and the parties have agreed to settle the matter amicably with a payment of RM220,000 by the Company to the Plaintiff as full and final settlement of the Plaintiff's claim. The parties have also agreed to discontinue the claim and counter-claim against each other without liberty to file afresh.

26. Dividend Proposed/Paid

- a) (i) A final dividend of 9 sen per ordinary share of RM1.00 each less Malaysian corporate tax of 25% for financial year ended 31 December 2010 amounting to RM10.3 million has been recommended for shareholders' approval.
- (ii) The book closure and the payment dates will be determined at a later date.
- b) (i) A final dividend of 6 sen per RM1.00 share less Malaysian corporate tax of 25% for financial year ended 31 December 2009 amounting to RM6.87 million was approved in second quarter and paid on 8 July 2010.
- (ii) An interim dividend of 5 sen per RM1.00 share less Malaysian corporate tax of 25% amounting to RM5.73 million in respect of financial year ended 31 December 2010 (for financial year ended 31 December 2009, 3 sen per RM1.00 share less Malaysian corporate tax of 25% amounting to RM3.44 million) was declared and approved in the previous quarter and paid on 15 October 2010.

The directors have recommended an increase in dividend payment due to improvement in result for the financial year 2010.

27. Earnings Per Share

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Year
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Net profit/(loss) attributable to owners of the parent (RM'000)	(497)	(1,523)	3,819	(11,079)
Weighted average number of ordinary shares in issue (units)	152,703,793	152,705,728	152,704,558	152,706,531
Earnings/(loss) per share:				
- Basic/diluted (sen)	<u>(0.33)</u>	<u>(1.00)</u>	<u>2.50</u>	<u>(7.26)</u>

The diluted earnings per share is the same as the basic earnings per share as the Group did not have any financial instrument in this reporting period, which may entitle its holder to ordinary shares of the Company and therefore dilute the basic earnings per share.

By Order of the Board
SAU EAN NEE
Company Secretary
17 February 2011
Petaling Jaya