

**COMPUGATES HOLDINGS BERHAD**  
**(Company No. 669287 - H)**  
**(Incorporated in Malaysia)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 30 JUNE 2010**

The actual results of Compugates Holdings Berhad for the period ended 30 June 2010 are as follows:-

NOTE	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER ENDED 30 JUNE 2010	CORRESPONDING QUARTER ENDED 30 JUNE 2009	CURRENT YEAR TO DATE 30 JUNE 2010	CORRESPONDING PERIOD ENDED 30 JUNE 2009
	RM'000 (Unaudited )	RM'000 (Unaudited )	RM'000 (Unaudited )	RM'000 (Unaudited )
REVENUE	166,383	208,906	324,331	415,716
COST OF SALES	<u>(165,411)</u>	<u>(206,953)</u>	<u>(322,759)</u>	<u>(411,601)</u>
GROSS PROFIT	972	1,953	1,572	4,115
OTHER INCOME	3,555	2,689	6,475	5,182
SALES AND MARKETING EXPENSES	(34)	(312)	(268)	(828)
ADMINISTRATIVE EXPENSES	(4,476)	(3,093)	(11,140)	(6,252)
OTHER EXPENSES	(465)	(154)	(865)	(439)
FINANCE COSTS	(10)	(14)	(20)	(54)
(LOSS)/PROFIT BEFORE TAXATION	<u>(458)</u>	<u>1,069</u>	<u>(4,246)</u>	<u>1,724</u>
INCOME TAX EXPENSE	20 (345)	(457)	(599)	(1,079)
(LOSS)/PROFIT AFTER TAXATION	<u>(803)</u>	<u>612</u>	<u>(4,845)</u>	<u>645</u>
OTHER COMPREHENSIVE INCOME				
Fair value of available- for-sale investments	(2,227)	-	(1,532)	-
Foreign currency translation	(111)	(739)	(243)	403
Deferred tax on revaluation surplus	-	-	(105)	-
Total other comprehensive income, net of tax	<u>(2,338)</u>	<u>(739)</u>	<u>(1,880)</u>	<u>403</u>
TOTAL COMPREHENSIVE INCOME	<u>(3,141)</u>	<u>(127)</u>	<u>(6,725)</u>	<u>1,048</u>
PROFIT ATTRIBUTABLE TO:				
Owners of the Parent	(714)	310	(4,866)	341
Minority Interests	(89)	302	21	304
	<u>(803)</u>	<u>612</u>	<u>(4,845)</u>	<u>645</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Parent	(2,984)	(429)	(6,472)	744
Minority Interests	(157)	302	(253)	304
	<u>(3,141)</u>	<u>(127)</u>	<u>(6,725)</u>	<u>1,048</u>
(LOSS)/EARNINGS PER SHARE (SEN)				
Basic on ordinary shares of: - RM0.10 each	28 (0.03)	0.01	(0.23)	0.02
Diluted	28 N/A	N/A	N/A	N/A

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

**COMPUGATES HOLDINGS BERHAD**  
**(Company No. 669287 - H)**  
**(Incorporated in Malaysia)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2010**

	(Unaudited)	(Audited)
	AS AT END OF CURRENT YEAR QUARTER ENDED 30 JUNE 2010	AS AT PRECEDING FINANCIAL YEAR ENDED 31 DEC 2009
Note	RM'000	RM'000 restated
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property and equipment	16,660	16,836
Available-for-sale investments	7,507	-
Quoted investments	-	12,033
Investment properties	5,811	5,290
Deferred tax asset	3	3
Goodwill on consolidation	35,991	35,991
	<u>65,972</u>	<u>70,153</u>
<b>CURRENT ASSETS</b>		
Inventories	29,426	26,034
Receivables	22,522	21,432
Tax refundable	202	62
Cash and cash equivalents	22,167	27,736
	<u>74,317</u>	<u>75,264</u>
<b>TOTAL ASSETS</b>	<u>140,289</u>	<u>145,417</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	213,429	213,429
Fair value reserve	(1,992)	-
Revaluation reserve	778	883
Exchange fluctuation reserve	(168)	(199)
Accumulated losses	(115,243)	(107,352)
<b>Equity attributable to owners of the Parent</b>	<u>96,804</u>	<u>106,761</u>
Minority interests	2,848	3,089
<b>TOTAL EQUITY</b>	<u>99,652</u>	<u>109,850</u>
<b>NON-CURRENT AND DEFERRED LIABILITIES</b>		
Deferred taxation	720	649
<b>CURRENT LIABILITIES</b>		
Payables	37,929	33,463
Amount owing to a director	30	200
Amount owing to shareholders of subsidiaries	106	141
Short-term borrowing	756	86
Provision for taxation	1,096	1,028
	<u>39,917</u>	<u>34,918</u>
<b>TOTAL LIABILITIES</b>	<u>40,637</u>	<u>35,567</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>140,289</u>	<u>145,417</u>
Net Assets per share (RM)		
On ordinary shares of:		
- RM0.10 each	<u>0.05</u>	<u>0.05</u>

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

**COMPUGATES HOLDINGS BERHAD**  
**(Company No. 669287 - H)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30 JUNE 2010**

	← Attributable to Owners of the Company →								
	Note	Share Capital RM'000	Fair Value Reserve RM'000	Revaluation Reserve RM'000	Exchange Fluctuation Reserve RM'000	Accumulated Losses RM'000	Total RM'000		Minority Interests RM'000
Balance as at 1 January 2009		213,429			186	(13,497)	200,118	11,132	211,250
Total comprehensive income		-	-	-	403	341	744	304	1,048
Balance as at 30 June 2009		<u>213,429</u>	<u>-</u>	<u>-</u>	<u>589</u>	<u>(13,156)</u>	<u>200,862</u>	<u>11,436</u>	<u>212,298</u>
Balance as at 1 January 2010, as previously stated		213,429	-	883	(199)	(107,352)	106,761	3,089	109,850
- effect of adopting FRS 139		<u>-</u>	<u>(460)</u>	<u>-</u>	<u>-</u>	<u>(3,025)</u>	<u>(3,485)</u>	<u>-</u>	<u>(3,485)</u>
Balance as at 1 January 2010, as restated		213,429	(460)	883	(199)	(110,377)	103,276	3,089	106,365
Issue of shares by a subsidiary to minority shareholders		-	-	-	-	-	-	12	12
Total comprehensive income		-	(1,532)	(105)	31	(4,866)	(6,472)	(253)	(6,725)
Balance as at 30 June 2010		<u>213,429</u>	<u>(1,992)</u>	<u>778</u>	<u>(168)</u>	<u>(115,243)</u>	<u>96,804</u>	<u>2,848</u>	<u>99,652</u>

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

**COMPUGATES HOLDINGS BERHAD**  
(Company No. 669287 - H)  
(Incorporated in Malaysia)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW**  
**FOR THE QUARTER ENDED 30 JUNE 2010**

<u>Note</u>	<b>CURRENT YEAR TO DATE 30 JUNE 2010 RM'000 (Unaudited)</b>	<b>CORRESPONDING PERIOD ENDED 30 JUNE 2009 RM'000 (Unaudited)</b>
<b>CASH FLOWS (FOR) / FROM OPERATING ACTIVITIES</b>		
(Loss)/profit before taxation	(4,246)	1,724
Adjustments for:-		
Non-cash items	685	374
Interest expense	11	54
Interest income	(186)	(176)
Operating (loss)/profit before working capital changes	(3,736)	1,976
Increase in inventories	(3,396)	(2,489)
(Increase)/Decrease in receivables	(1,332)	18,207
Increase in payables	4,466	5,300
<b>Cash (for) / generated from operations</b>	(3,998)	22,994
Interest paid	(11)	(54)
Income tax paid/ (refunded)	(705)	366
<b>NET CASH (FOR) / FROM OPERATING ACTIVITIES</b>	(4,714)	23,306
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	186	176
Purchase of property and equipment	(460)	(438)
Increase of investment property	(552)	-
Purchase of available-for-sale investments	(881)	(9,685)
Proceeds from disposal of available-for-sale investments	411	688
Proceeds from disposal of property and equipment	208	-
<b>NET CASH FOR INVESTING ACTIVITIES</b>	(1,088)	(9,259)
<b>CASH FLOWS FROM / (FOR) FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares to minority shareholders	12	-
Net increase/(Decrease) of bankers' acceptances	713	(2,074)
(Repayment to)/Advance from shareholders of subsidiaries	(35)	104
Repayment to directors	(170)	-
Payments of hire purchase obligations	(43)	(56)
<b>NET CASH FROM / (FOR) FINANCING ACTIVITIES</b>	477	(2,026)
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	(5,325)	12,021
<b>EFFECTS OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	(244)	401
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	27,736	16,067
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	22,167	28,489
<b>NOTES TO CASH FLOW STATEMENTS</b>		
Cash and cash equivalents comprise:		
Fixed deposits with licensed bank	12,173	19,676
Short term deposits with a licensed bank	5,513	3,657
Cash and bank balances	4,481	5,156
	22,167	28,489

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