

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2011 – unaudited

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To-Date	To-Date
	Ended	Quarter Ended	Ended	Ended
	30-Jun		30-Jun	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Revenue	334,641	270,781	624,641	539,733
Profit from operations	41,372	26,315	76,340	55,005
Finance costs	(1,136)	(1,158)	(2,313)	(2,648)
Profit before tax	40,236	25,157	74,027	52,357
Tax expense	(4,859)	(5,655)	(8,518)	(13,019)
Profit for the period	35,377	19,502	65,509	39,338
Other comprehensive income, net of tax				
Exchange differences on translation foreign operations	499	(111)	1,259	(236)
Total other comprehensive income for the period, net of tax	499	(111)	1,259	(236)
Total comprehensive income for the period	35,876	19,391	66,768	39,102
Profit attributable to:				
Owners of the Company	34,450	19,516	64,534	39,241
Non-controlling interests	927	(14)	975	97
Profit for the period	35,377	19,502	65,509	39,338
Total comprehensive income attributable to:				
Owners of the Company	34,912	19,405	65,740	39,005
Non-controlling interests	964	(14)	1,028	97
Total comprehensive income for the period	35,876	19,391	66,768	39,102
Basic earnings per ordinary share (sen)	10.84	6.10	20.28	12.27
Diluted earnings per ordinary share (sen)	10.30	N/A	19.48	N/A

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2011 – unaudited

	30 June 2011 RM'000	31 December 2010 RM'000
Assets		
Non-current assets		
Property, plant and equipment	174,499	140,436
Prepaid lease payments	7,212	7,308
Intangible assets	2,717	2,860
Other long term investments	3,590	3,590
Deferred tax assets	310	303
	<u>188,328</u>	<u>154,497</u>
Current assets		
Derivative financial assets	-	2,119
Inventories	265,270	155,988
Trade and other receivables	144,944	160,357
Deposits, bank and cash balances	15,589	11,414
	<u>425,803</u>	<u>329,878</u>
Total assets	<u>614,131</u>	<u>484,375</u>
Equity		
Share capital	79,936	60,000
Treasury shares	(4,495)	(20)
Share premium	4	7,718
Foreign currency translation reserve	387	(872)
Retained profits	160,745	115,596
Equity attributable to owners of the Company	<u>236,577</u>	<u>182,422</u>
Non-controlling interests	<u>5,751</u>	<u>4,723</u>
Total equity	<u>242,328</u>	<u>187,145</u>
Non-current liabilities		
Loans and borrowings	9,975	13,213
Deferred tax liabilities	12,692	13,591
	<u>22,667</u>	<u>26,804</u>
Current liabilities		
Derivative financial liabilities	3,812	3,418
Trade and other payables	97,452	71,817
Loans and borrowings	241,078	192,767
Tax payable	6,794	2,424
	<u>349,136</u>	<u>270,426</u>
Total liabilities	<u>371,803</u>	<u>297,230</u>
Total equity and liabilities	<u>614,131</u>	<u>484,375</u>
Net assets per share (sen)		
attributable to owners of the Company	<u>73.59</u>	<u>74.82</u>

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2011 – unaudited

	← Attributable To Owners Of The Company →					Non-controlling Interests	Total Equity	
	Non-distributable		Distributable					
	Share Capital RM'000	Treasury Share RM'000	Share Premium RM'000	Foreign Currency Translation Reserve RM'000	Retained Profits RM'000	Total RM'000	RM'000	
Balance at 1 January 2011	60,000	(20)	7,718	(872)	115,596	182,422	4,723	187,145
Issuance of bonus shares	19,935	-	(7,718)	-	(12,217)	-	-	-
Conversion of free warrants	1	-	4	-	-	5	-	5
Purchase of treasury shares	-	(4,475)	-	-	-	(4,475)	-	(4,475)
Total comprehensive income for the period	-	-	-	1,259	64,534	65,793	1,028	66,821
Dividends	-	-	-	-	(7,168)	(7,168)	-	(7,168)
Balance at 30 June 2011	79,936	(4,495)	4	387	160,745	236,577	5,751	242,328
Balance at 1 January 2010								
- as previously reported	60,000	-	7,718	(16)	37,580	105,282	2,031	107,313
Effect of adopting FRS 139	-	-	-	-	(4,898)	(4,898)	-	(4,898)
Balance at 1 January 2010 - as restated	60,000	-	7,718	(16)	32,682	100,384	2,031	102,415
Changes in ownership interest in subsidiary with no change in control	-	-	-	-	-	-	1,942	1,942
Total comprehensive income for the period	-	-	-	(236)	39,241	39,005	97	39,102
Dividends:								
- by the Company	-	-	-	-	(4,800)	(4,800)	-	(4,800)
- by subsidiaries to non-controlling interest	-	-	-	-	-	-	(245)	(245)
Balance at 30 June 2010	60,000	-	7,718	(252)	67,123	134,589	3,825	138,414

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2011 – unaudited

	Six Months Ended	
	30-Jun-11 RM'000	30-Jun-10 RM'000
Cash flows from operating activities		
Profit before tax	74,027	52,357
Adjustments for:		
Non-cash items	8,343	2,394
Non-operating items	(109)	3,180
Operating profit before working capital changes	<u>82,261</u>	<u>57,931</u>
Changes in working capital		
Net change in current assets	(96,625)	(44,141)
Net change in current liabilities	30,038	2,119
Cash generated from operations	<u>15,674</u>	<u>15,909</u>
Tax paid	(5,054)	(2,547)
Interest paid	(1,487)	(1,779)
Interest received	269	211
Net cash (used in)/from operating activities	<u>9,402</u>	<u>11,794</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(39,180)	(6,763)
Others	124	574
Net cash (used in) investing activities	<u>(39,056)</u>	<u>(6,189)</u>
Cash flows from financing activities		
Bank and other borrowings	44,346	14,421
Conversion of warrants to ordinary shares	4	-
Share buy-back	(4,475)	-
Dividend paid	(7,167)	(4,800)
Dividends paid to non-controlling shareholders	-	(245)
Net cash from/(used in) financing activities	<u>32,708</u>	<u>9,376</u>
Net increase/(decrease) in cash and cash equivalents	3,054	14,981
Effect of exchange rate changes	1,121	(17)
Cash and cash equivalents at the beginning of financial period	11,414	10,002
Cash and cash equivalents at the end of financial period	<u>15,589</u>	<u>24,966</u>
Cash and cash equivalents at the end of financial period comprise of :		
Deposits, bank and cash balances	15,589	24,979
Bank overdrafts	-	(13)
	<u>15,589</u>	<u>24,966</u>

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2011

A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: 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 of Guan Chong Berhad (“GCB” or the “Company”) and its subsidiaries (“Group”) for the financial year ended 31 December 2010. These 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 year ended 31 December 2010.

A2. Changes in Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the preparation of the financial statements of the Group for the financial year ended 31 December 2010 except for the adoption of the following new and revised Financial Reporting Standards (“FRSs”), Amendments and Issues Committee (“IC”) Interpretations with effect from 1 January 2011:

FRSs, Amendments and IC Interpretations

FRS 1 (Revised)	First-time Adoption of Financial Reporting Standards
FRS 3 (Revised)	Business Combinations
FRS 127 (Revised)	Consolidated and Separate Financial Statements
Amendments to FRS 1 (Revised)	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	Share-based Payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sales and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments : Presentation
Amendments to FRS 138	Intangible Assets
Amendments to FRSs “Improvements to FRSs (2010)”	
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

The adoption of the above FRSs, Amendments and IC Interpretations did not result in any significant financial impact on the interim financial report upon their initial application, except for the following:

- (a) FRS 3 (Revised) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred. This revised Standard will be applied prospectively and therefore, there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.
- (b) FRS 127 (Revised) requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised Standard also requires all losses attributable to the minority interest to be absorbed by the minority interest instead of by the parent. The Group will apply the major changes of FRS 127 (Revised) prospectively and therefore, there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for its future transactions or arrangements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2011

A2. Changes in Accounting Policies – (Cont’d)

The Group has not adopted the following new/revised FRSs, Amendments and IC Interpretations that were in issued but not yet effective:

		Effective date
FRS 124(Revised)	Related Party Disclosures	1 January 2012
IC Interpretation 15	Agreements for the Construction of Real Estate	1 January 2012
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement	1 July 2011

A3. Auditors’ report on preceding annual financial statements

The audited financial statements of the preceding financial year were not subjected to any qualification.

A4. Seasonal or cyclical factors

The cocoa processing industry is, to a certain extent, subject to the seasonal pattern of the consumption of cocoa-based products within a year.

A5. Unusual nature and amounts affecting assets, liabilities, equity, net income or cash flows

Other than those stated in the notes, there are no other items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidence.

A6. Material changes in estimates

There was no material changes in estimates of amounts reported that will have a material effect during the current quarter under review.

A7. Issuances and repayment of debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter under review except for the following:

- (a) The paid-up share capital of the Company was increased from 319,740,033 ordinary shares of RM0.25 each or RM79,935,008 as at 31 March 2011 to 319,742,183 ordinary shares of RM0.25 each or RM79,935,546 as a result of the issuance of 2,150 new ordinary shares upon conversion of 2,150 warrants at the exercise price of RM2.00 per share.
- (b) The number of warrants outstanding as at 30 Jun 2011 was 59,802,875. Each warrant entitles the holder the right to subscribe for a new ordinary share of RM0.25 each in the Company at an exercise price of RM2.00 per share. The warrants will be expiring on 20 February 2016.
- (c) During the current quarter, the Company repurchased 249,800 of its issued ordinary shares of RM0.25 each (“GCB Shares”) from the open market at an average price of RM2.80 per share. The total consideration paid for the repurchase including transaction costs was RM698,986 and this was financed by internally generated funds.

As at 30 Jun 2011, the Company held 1,951,600 GCB Shares as treasury shares out of its total issued and paid-up share capital of 319,742,183 GCB Shares. Such treasury shares are held at a carrying amount of RM4,494,772.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2011

A8. Dividends paid

A final tax-exempt single-tier dividend of 12% equivalent to 3 sen per ordinary share in respect of the financial year ended 31 December 2010 was approved by the shareholders during the Annual General Meeting held on 29 Jun 2011 and subsequently paid on 28 Jul 2011. The payment was made to the shareholders whose names appeared in the Company's Record of Depositors on 21 Jul 2011.

A9. Segmental information

The Group presenting segmental information on the basis of geographical segments, segment revenue and segment assets are based on the geographical location of the assets.

Six Month Ended 30 June 2011	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Geographical Segments:						
Total external revenue	576,271	48,370	-	-	-	624,641
Internal segment revenue	66,367	483,348	167,750	-	(717,465)	-
Total revenue	642,638	531,718	167,750	-	(717,465)	624,641
Segment result	53,993	13,363	14,203	2,090	(2,098)	81,551
Interest income						269
Finance cost						(2,313)
Depreciation & amortisation						(5,480)
Profit before tax						74,027
Tax expenses						(8,518)
Profit for the period						65,509
Segment assets	476,464	32,682	100,417	894	-	610,457
Other long term investment						3,590
Unallocated assets						84
Total assets						614,131
Segment liabilities	318,037	43,556	9,884	246	-	371,723
Unallocated liabilities						80
						371,803

No comparative information is prepared as Group is principally involved in manufacturing and trading of cocoa-derived food ingredients and cocoa related products which are predominantly carried out in Malaysia for the period ended 30 June 2010.

A10. Valuation of property, plant and equipment

The property, plant and equipment of the Group are stated at cost less accumulated depreciation and impairment losses, if any. No revaluation of property, plant and equipment was undertaken during the current quarter under review.

A11. Material events subsequent to the end of the current quarter

There was no material events subsequent to the current quarter ended 30 June 2011 that have not been reflected in this quarterly report.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2011

A12. Changes in the composition of the Group

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

A13. Contingent liabilities

There were no material contingent liabilities as at 30 Jun 2011.

A14. Commitments

(a) Lease commitments

At the end of the current quarter, the Group has the following outstanding land lease rental commitments:-

Authorised and contracted for	RM'000 1,361
	<u>1,361</u>

(b) Capital commitments

At the end of the current quarter, capital expenditure of the Group contracted but not provided for are as follows :-

Authorised and contracted for :	RM'000
Property, plant and equipment	37,701
	<u>37,701</u>

A15. Significant related party transactions

(a) Related party relationship

SMC Food 21 Pte. Ltd. – A company in which certain directors of a subsidiary have financial interest.

SMC Food (Thailand) Company Limited – A company in which certain directors of a subsidiary have financial interest

(b) Related party transactions

	Current Quarter Ended	Current Year To-Date
	30 June 2011	Ended
	RM'000	30 June 2011
		RM'000
SMC Food 21 Pte. Ltd.		
- Sale of goods	1,144	3,550
- Purchase of goods	153	4,097
SMC Food (Thailand) Company Limited		
- Purchase of goods	509	509
	<u>1,806</u>	<u>8,156</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2011

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

The Group's revenue of RM 334.64 million for the current quarter ended 30 June 2011 is higher than the revenue in the previous corresponding quarter ended 30 June 2010 of RM 270.78 million. The increase of 23.58% in turnover is mainly due to higher sales volume of cocoa products as the result of a full-quarter contribution from its Batam plant, which commenced operation in February this year. The profit before tax for the quarter ended 30 June 2011 increased substantially to RM 40.24 million. This is mainly attributed by higher revenue generated in current quarter, net gains arising from foreign exchange due to appreciation of Ringgit Malaysia and net fair value gains on foreign exchange derivatives.

The profit from operations is arrived after crediting:

	Cumulative Quarter Ended 30-Jun-11 RM'000	Preceding Quarter Ended 31-Mar-11 RM'000
Dividend income	1,361	641
Realised gain on foreign exchange	6,300	1,174
Unrealised gain on foreign exchange	375	3,260
Warehouse rental income	535	268
Net fair value (loss)/gains on financial Derivatives	1,839	1,879

B2. Comment on material change in profit before tax

The Group recorded a profit before tax of RM 40.24 million for the current quarter as compared to a profit before tax of RM 33.79 million in the preceding quarter. The profit before tax increased substantially mainly boost by a full-quarter contribution from its new cocoa processing plant in Batam, which commenced operation in February 2011.

B3. Commentary of prospects

The Board of Directors is optimistic about the performance of GCB in the current financial year given that the new cocoa processing plant located in Batam, Indonesia has commenced its production in 1st quarter 2011. We believe GCB is well-positioned for growth as many initiatives to improve our competitiveness and profitability have been systematically carried out by the management team.

Barring any unforeseen circumstances, the Board of Directors of GCB expects that the Group's financial performance for the financial year 2011 to be satisfactory.

B4. Profit forecast or profit guarantee

There were no profits forecast or profit guarantee issued by the Group.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2011

B5. Tax expense

	Current Quarter Ended		Current Year To-Date Ended	
	30-Jun-11 RM'000	30-Jun-10 RM'000	30-Jun-11 RM'000	30-Jun-10 RM'000
Income tax expense:				
Current period estimate	5,424	7,321	9,424	11,886
Deferred tax	(565)	(1,666)	(906)	1,133
	<u>4,859</u>	<u>5,655</u>	<u>8,518</u>	<u>13,019</u>

The effective tax rate of the Group for the quarter under review is lower than the statutory tax rate due principally to the claim of tax incentive in relation to the increase export allowance.

B6. Unquoted investments and/or properties

The Group did not acquire or dispose of any unquoted investments and/or properties during the current quarter under review.

B7. Quoted securities

There were no acquisitions or disposals of quoted securities for the current quarter and the financial period-to-date.

B8. Corporate proposals

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

B9. Borrowings

The Group's borrowings at the end of the current quarter are as follows:

	RM'000
Short-term borrowings	241,078
Long-term borrowings	9,975
Total Borrowings	<u>251,053</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2011

B10. Derivative financial instruments

Details of the outstanding derivative financial instruments as at 30 June 2011 are as follows:

	Derivative	Contract Amount RM'000	Fair Value - Net Gains/(Losses) RM'000	Purpose
1	Forward Foreign Exchange Contracts: Sale Contracts - Less than 1 year Purchase Contracts - Less than 1 year - 1 year to 3 years	168,617 52,963 0	(104) 3,140 0	For hedging currency risk
2	Target Redemption Forward Currency Options: Sale Contracts - Less than 1 year Purchase Contracts - Less than 1 year	61,448 0	(40) 0	For hedging currency risk
3	Commodity Futures Contracts: Sale Contracts - Less than 1 year - 1 year to 3 years Purchase Contracts - Less than 1 year - 1 year to 3 years	(12,417) 0 37,157 0	(3,162) 0 (3,646) 0	For hedging price risk

The fair values of the above derivatives are determined by using the market rates at the end of reporting period and changes in the fair values are recognised in the profit and loss. The subsequent cumulative change in the fair value of the commitment attributable to the hedged risk is recognised as an asset or a liability with the corresponding gain or loss recognised in the profit or loss.

There have been no significant changes to the Group's exposure credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

B11. Material litigation

There was no material litigation against the Group as at the date of these interim financial statements.

B12. Dividend declared or recommended

On 11 August 2011, the board declared the second interim tax-exempt single-tier dividend of 3 sen per ordinary share in respect of financial year ending 31 December 2011 to shareholders registered in the Record of Depositors at close of business on 29 August 2011 and subsequently will be paid on 14 September 2011.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2011

B13. Earnings per share

- (a) Basic earnings per share are calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the financial period as follows:-

	Current Quarter Ended		Current Year To-Date Ended	
	30-Jun-11	30-Jun-10	30-Jun-11	30-Jun-10
Profit for the financial period attributable to owners of the Company (RM'000)	34,450	19,516	64,534	39,241
Weighted average number of ordinary shares in issue ('000)	317,932	319,740	318,311	319,740
Basic earnings per share (sen)	10.84	6.10	20.28	12.27

Comparative figure for the weighted average number of ordinary shares has been restated by incorporating the bonus issue credited as fully paid-up on the basis of one (1) bonus share for every three (3) ordinary shares held as at 30 June 2010.

- (b) For the purpose of calculating diluted EPS, profit for the period and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares convert under warrants issued as shown below:

	Current	Current Year
	Quarter Ended	To-Date Ended
	30-Jun-11	30-Jun-11
Profit for the financial period attributable to owners of the Company (RM'000)	34,450	64,534
Weighted average number of ordinary shares in issue ('000)	317,932	318,311
Effect of dilution of warrants	16,465	12,980
Adjusted weighted average number of ordinary shares in issue and issuales	<u>334,397</u>	<u>331,291</u>
Diluted earnings per share (sen)	10.30	19.48

NOTES TO THE INTERIM FINANCIAL STATEMENTS – SECOND QUARTER ENDED 30 JUNE 2011

B14. Realised and Unrealised Profits/Losses Disclosure

The retained profits as at 30 June 2011 and 31 March 2011 is analysed as follows:-

	Current Quarter Ended 30-Jun-11 RM'000	Preceding Quarter Ended 31-Mar-11 RM'000
Total retained profits of the Company and the subsidiaries:		
- Realised	195,017	160,614
- Unrealised	(13,710)	(16,423)
	<u>181,307</u>	<u>144,191</u>
Less: Consolidated adjustments	(20,562)	(17,896)
Total group retained profits as per consolidated financial statements	<u>160,745</u>	<u>126,295</u>

BY ORDER OF THE BOARD

Tay Hoe Lian
 Managing Director
 Dated: 11.08.2011