

DELEUM BERHAD (715640-T)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

<u>Table of Contents</u>	Page
Consolidated Statement of Comprehensive Income	1
Consolidated Statement of Financial Position	2
Consolidated Statement of Changes in Equity	3
Consolidated Statement of Cash Flow	4
Part A: Explanatory Notes Pursuant to FRS 134	5 - 12
Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing requirements of Bursa Malaysia Securities Berhad	13 - 17

DELEUM BERHAD (715640-T)
(Incorporated in Malaysia)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2010

RM'000	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED	QUARTER ENDED	YEAR ENDED	YEAR ENDED
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
	Unaudited	Audited	Unaudited	Audited
Revenue	148,221	104,157	399,045	514,293
Cost of sales	(128,621)	(84,620)	(323,095)	(435,018)
Gross profit	19,600	19,537	75,950	79,275
Other income	1,822	2,775	2,769	3,461
Selling and distribution costs	(955)	(1,040)	(3,661)	(3,990)
Administrative expenses	(10,616)	(9,582)	(39,890)	(34,770)
Other operating expenses	(1,810)	(978)	(5,700)	(6,660)
Profit from operation	8,041	10,712	29,468	37,316
Finance costs	(363)	(301)	(1,617)	(1,279)
Share of post tax profits of associates	2,519	2,464	9,744	9,651
Profit before tax	10,197	12,875	37,595	45,688
Income tax expense	(1,524)	(2,670)	(7,381)	(9,954)
Profit for the period	8,673	10,205	30,214	35,734
Other comprehensive income				
Currency translation differences	(306)	(819)	(2,936)	(560)
Total comprehensive income for the period	8,367	9,386	27,278	35,174
Profit attributable to:				
- Equity holders of the Company	7,371	6,322	23,237	26,450
- Minority Interest	1,302	3,883	6,977	9,284
	8,673	10,205	30,214	35,734
Total comprehensive income attributable to:				
- Equity holders of the Company	7,135	5,924	21,679	26,321
- Minority Interest	1,232	3,462	5,599	8,853
	8,367	9,386	27,278	35,174
Earnings per share (EPS) attributable to equity holders of the Company (sen)				
- Basic EPS	7.37	6.32	23.24	26.45

The above consolidated statement 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.

DELEUM BERHAD (715640-T)
(Incorporated in Malaysia)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010

RM'000	As at 31/12/2010	As at 31/12/2009
	Unaudited	Audited
ASSETS		
Property, plant and equipment	93,464	93,984
Investment properties	982	1,006
Intangible Assets	739	529
Long term prepayment	318	-
Associates	41,436	42,509
Deferred tax assets	70	75
Non-current Assets	137,009	138,103
Inventories	9,046	8,294
Amounts due from associates	15	149
Trade receivables	138,122	54,320
Other receivables, deposits and prepayments	4,484	5,825
Tax recoverable	4,880	3,180
Deposits with licensed banks	44,053	47,577
Cash and bank balances	13,557	13,946
Current Assets	214,157	133,291
TOTAL ASSETS	351,166	271,394
EQUITY AND LIABILITIES		
Share capital	100,000	100,000
Retained earnings	125,478	112,824
Merger deficit	(50,000)	(50,000)
Currency translation differences	(2,914)	(1,356)
Equity attributable to Equity Holders of the Company	172,564	161,468
Minority interests	27,979	27,537
Total Equity	200,543	189,005
Borrowings	15,407	21,289
Deferred tax liabilities	5,087	3,330
Non-current liabilities	20,494	24,619
Trade payables	111,391	39,144
Other payables and accruals	11,920	11,140
Taxation	166	1,940
Borrowings	6,214	3,968
Dividend payable	438	1,578
Current liabilities	130,129	57,770
Total Liabilities	150,623	82,389
TOTAL EQUITY AND LIABILITIES	351,166	271,394
Net assets per share attributable to equity holders of the Company (RM)	1.73	1.61

The above consolidated statement 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.

DELEUM BERHAD (715640-T)
(Incorporated in Malaysia)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2010

RM'000	← Attributable to equity holders of the Company →				Total	Minority interest	Total equity
	Share capital	Currency translation differences	Merger deficit	Retained earnings			
			-----Non-distributable-----	Distributable			
At 1 January 2009	100,000	(1,227)	(50,000)	97,374	146,147	24,328	170,475
Total comprehensive income for the period	-	(129)	-	26,450	26,321	8,853	35,174
Dividend	-	-	-	(11,000)	(11,000)	(5,644)	(16,644)
At 31 December 2009	<u>100,000</u>	<u>(1,356)</u>	<u>(50,000)</u>	<u>112,824</u>	<u>161,468</u>	<u>27,537</u>	<u>189,005</u>
At 1 January 2010 (as previously stated)	100,000	(1,356)	(50,000)	112,824	161,468	27,537	189,005
- Effects of adopting FRS 139	-	-	-	(83)	(83)	-	(83)
At 1 January 2010 (as restated)	<u>100,000</u>	<u>(1,356)</u>	<u>(50,000)</u>	<u>112,741</u>	<u>161,385</u>	<u>27,537</u>	<u>188,922</u>
Total comprehensive income for the period	-	(1,558)	-	23,237	21,679	5,599	27,278
Dividend	-	-	-	(10,500)	(10,500)	(5,157)	(15,657)
At 31 December 2010	<u>100,000</u>	<u>(2,914)</u>	<u>(50,000)</u>	<u>125,478</u>	<u>172,564</u>	<u>27,979</u>	<u>200,543</u>

The above consolidated statement 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.

DELEUM BERHAD (715640-T)
(Incorporated in Malaysia)
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2010

RM'000	CUMULATIVE QUARTER	
	YEAR ENDED 31/12/2010	YEAR ENDED 31/12/2009
	Unaudited	Audited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial year	30,214	35,734
<u>Adjustments for:</u>		
Provision for liquidated damages	771	135
Provision for stock obsolescence	147	196
Depreciation of property, plant and equipment	11,730	9,924
Share of results of associates	(9,744)	(9,651)
Tax expense	7,381	9,953
Interest expense	1,617	1,279
Interest income	(981)	(501)
Negative goodwill on acquisition of subsidiary	(203)	-
Amortisation of intangible assets	947	310
Others	(72)	(280)
Operating profit before working capital changes	41,807	47,099
Increase in inventories	(556)	(1,548)
(Increase) / decrease in receivables	(77,138)	61,341
Increase / (decrease) in payables	69,158	(43,452)
Cash generated from operation	33,271	63,440
Interest received	981	501
Tax paid	(9,414)	(7,250)
Interest paid	(1,435)	(1,278)
Net cash generated from operating activities	23,403	55,413
CASH FLOWS FROM INVESTING ACTIVITIES		
Amount due from associates	134	1,190
Property, plant and equipment		
- Purchases	(8,434)	(44,479)
- Proceeds from disposals	113	838
Acquisition of subsidiary	(6,703)	-
Dividends received from associate	8,251	8,357
Net cash used in investing activities	(6,639)	(34,094)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings:		
- Proceeds	-	20,000
- Repayments	(4,618)	(823)
Dividends paid to:		
- Shareholders	(10,500)	(11,000)
- Minority interest	(5,157)	(4,355)
Net cash (used in) / generated from financing activities	(20,275)	3,822
Net (decrease) / increase in cash and cash equivalents	(3,511)	25,141
Effects of exchange rate changes	(369)	(208)
Cash and cash equivalents at beginning of year	60,978	36,045
Cash and cash equivalents at end of year	57,098	60,978
COMPOSITION OF CASH AND CASH EQUIVALENTS		
Short term deposits	44,053	47,577
Cash and bank balances	13,557	13,946
	57,610	61,523
Less: Cash held in trust for dividends	(11)	(44)
Cash held in trust in a designated account	(501)	(501)
Cash and cash equivalents at end of year	57,098	60,978

The above consolidated statement 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.