Kimlun Corporation Berhad
(Company No: 867077-X)
Unaudited Condensed Consolidated Statement of Comprehensive Income
For the Third Quarter Ended 30 September 2012

	Individual Quarter		Cumulative Period	
	Current Year Quarter 30/9/2012 RM'000	Preceeding Year Quarter (2) 30/9/2011 RM'000	Current Year To Date 30/9/2012 RM'000	Preceeding Year To Date (2) 30/9/2011 RM'000
Revenue	215,001	159,928	661,145	460,083
Cost of sales	(191,762)	(141,794)	(590,244)	(403,859)
Gross profit	23,239	18,134	70,901	56,224
Other income	1,329	1,445	3,918	3,581
Selling and administrative expenses	(6,983)	(5,489)	(20,717)	(15,728)
Finance costs	(1,826)	(816)	(4,607)	(1,938)
Profit before tax	15,759	13,274	49,495	42,139
Income tax expense	(4,044)	(3,492)	(12,462)	(11,098)
Profit net of tax	11,715	9,782	37,033	31,041
Other comprehensive income	9	-	11	9
Total comprehensive income for the period	11,724	9,782	37,044	31,050
Profit attributable to :				
Owners of the Company	11,793	9,782	37,151	31,042
Non-controlling interests	(78)	-	(118)	(1)
	11,715	9,782	37,033	31,041
Earnings Per Share (RM)				
- Basic (3)	0.05	0.04	0.16	0.14
- Diluted (3)	N/A	N/A	N/A	N/A
Total comprehensive income attributable to :				
Owners of the Company	11,802	9,782	37,162	31,051
Non-controlling interests	(78)	-	(118)	(1)
	11,724	9,782	37,044	31,050

Notes:

(1) The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying notes attached to the interim financial statements.

(2) These comparative figures have been extracted consistently from the interim financial report for the quarter ended 30 September 2011 announced to Bursa Malaysia Securities Berhad in prior year.

(3) Please refer to Note B12 for details.

Kimlun Corporation Berhad
(Company No: 867077-X)
Unaudited Condensed Consolidated Statements of Financial Position
As at 30 September 2012

	Unaudited As at 30/9/2012 RM'000	Audited As at 31/12/2011 RM'000
Assets		
Non- current assets		
Property, plant and equipment	95,730	45,885
Investment properties	327	327
Other investments	90	90
	96,147	46,302
Current assets		
Properties held for sale	875	863
Development property	49,211	20,049
Inventories	12,311	12,487
Trade and other receivables	298,556	224,262
Other current assets	163,107	128,293
Cash and bank balances	60,387	81,653
	584,447	467,607
TOTAL ASSETS	680,594	513,909
EQUITY AND LIABILITIES		
Current liabilities		
Income tax payable	8,528	5,935
Loans and borrowings	102,391	51,004
Trade and other payables	237,413	212,496
Other current liability	17,279	10,796
	365,611	280,231
Net current assets	218,836	187,376
Non-current liabilities		
Loans and borrowings	48,724	14,022
Deferred tax liabilities	3,350	3,514
	52,074	17,536
TOTAL LIABILITIES	417,685	297,767
Net assets	262,909	216,142
Equity		
Share capital	120,225	114,500
Share premium	37,798	26,778
Translation reserve	5	3
Retained earnings	104,546	74,849
Equity attributable to owners of the Company	262,574	216,130
Non-controlling interests	335	12
Total equity	262,909	216,142
TOTAL EQUITY AND LIABILITIES	680,594	513,909
Net Assets Per Share Attributable to owners of the Company (RM)	1.09	0.94

Notes:

(1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying notes attached to the interim financial statements.

Kimlun Corporation Berhad
(Company No: 867077-X)
Unaudited Condensed Consolidated Statement of Cash Flow
For The Period Ended 30 September 2012

	Current Year To Date 30/9/2012 RM'000	Preceeding Year To Date 30/9/2011 RM'000
Operating activities		
Profit before tax	49,495	42,139
Adjustment for :		
Unrealised foreign exchange (gain)/loss	(981)	(243)
Depreciation	5,792	4,816
Gain on disposal of investment property		(60)
Gain on disposal of property, plant and equipment	(66)	(308)
Loss on disposal of properties held for resale	1	-
Transfer of fixed asset to Profit and Loss	56	1
Impairment of intangible assets	-	2
Reversal of impairment loss	-	(71)
Interest expenses	3,368	1,083
Interest income	(680)	(942)
Operating cash flows before changes in working capital	56,985	46,417
Changes in working capital		
Development property	(29,162)	(1,259)
Inventories	175	(3,481)
Receivables	(79,973)	(66,228)
Other current assets	(30,273)	-
Payables	26,916	21,444
Other current liabilities	6,484	-
Cash flows used in operations	(48,848)	(3,107)
Interest paid	(3,368)	(1,083)
Tax paid	(10,033)	(8,535)
Interest received	680	942
Net cash flows used in operating activities	(61,569)	(11,783)
Investing activities		
Purchase of property, plant and equipment	(46,948)	(5,819)
Proceeds from disposal of property, plant & equipment	66	310
Proceeds from disposal of property held for sales	415	-
Purchase of property held for sales	(380)	-
Net cash flows used in investing activities	(46,847)	(5,509)
Financing activities		
Proceeds from issuance of shares by a subsidiary to minority interest	-	49
Proceeds from issuance of shares	17,616	-
Share issuance expenses	(430)	-
Dividend paid	(7,454)	(6,412)
Proceeds from loans and borrowings	71,680	1,256
Repayment of loans and borrowings	-	(794)
Repayment to hire purchase creditors	(3,002)	(2,515)
Net cash flows from/(used in) financing activities	78,410	(8,416)
Net decrease in cash and cash equivalents	(30,006)	(25,708)
Effects of exchange rate changes on cash and cash equivalents	73	8
Cash and cash equivalents at beginning of financial period	78,241	111,217
Cash and cash equivalents at end of financial period	48,308	85,517
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	60,387	85,517
Bank overdrafts (included within short term borrowings)	(12,079)	-
	48,308	85,517

Notes:

(1) The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying notes attached to the interim financial statements

Kimlun Corporation Berhad
(Company No: 867077-X)
Unaudited Condensed Consolidated Statement of Changes in Equity
As at 30 September 2012

	Attributable to owners of the parent						
	<---------------- Non-distributable		---------------->	Distributable			
	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Sub-Total	Non-controlling interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
YTD ended 30 September 2012							
Balance At 1/1/2012	114,500	26,778	3	74,849	216,130	12	216,142
Total comprehensive income for the period	-	-	2	37,151	37,153	(118)	37,035
Transactions with owner							
Dividend payment (as detailed in Note B11)	-	-	-	(7,454)	(7,454)	-	(7,454)
Issuance of ordinary shares pursuant to private placement (as detailed in Note A7)	5,725	11,450	-	-	17,175	-	17,175
Share issue expenses	-	(430)	-	-	(430)	-	(430)
Share issuance by a subsidiary	-	-	-	-	-	441	441
At 30/9/2012	**120,225**	**37,798**	**5**	**104,546**	**262,574**	**335**	**262,909**
	-	-	-	-	-	-	-
YTD ended 30 September 2011 (2)							
Balance At 1/1/2011	114,500	26,778	(4)	43,129	184,403	-	184,403
Total comprehensive income for the period	-	-	9	31,042	31,051	(1)	31,050
Transactions with owner							
Dividend payment (as detailed in Note A8)	-	-	-	(10,992)	(10,992)	-	(10,992)
Share issuance by a subsidiary to minority interest	-	-	-	-	-	47	47
At 30/9/2011	114,500	26,778	5	63,179	204,462	46	204,508

(1) The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying notes attached to the interim financial statements

(2) These comparative figures have been extracted consistently from the interim financial report for the quarter ended 30 September 2011 announced to Bursa Malaysia Securities Berhad in prior year.

NOTES TO THE REPORT

PART A – EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING STANDARDS ("FRS") 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and Appendix 9B Part A of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2011.

The interim financial report contains condensed combined financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group. The interim combined financial report and notes thereon do not include all the information required for a full set of financial statements prepared in accordance with FRSs.

A2. Changes in accounting policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the Group's audited financial statements for the financial year ended 31 December 2011, except for the adoption of the following new Financial Reporting Standards ("FRSs"), Amendments to FRSs ("Amendments") and Issues Committee ("IC") Interpretations with effect from 1 January 2012:

IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement
Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 7: Transfers of Financial Assets
Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets
FRS 124: Related Party Disclosures

The adoption of the above FRSs, IC interpretations and Amendments do not have material impact on the financial statements of the Group.

The Group has not adopted the Malaysian Financial Reporting Standards (MFRS) in this interim financial report as the Group falls within the scope of IC Interpretation 15 Agreements for Construction of Real Estate, thereby the adoption of the MFRS will be deferred to annual periods beginning 1 January 2014.

A3. Auditor's report on preceding annual financial statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2011.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

A5. Items of Unusual Nature

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flow during the financial year-to-date.

A6. Material Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the financial year-to-date.

A7. Changes in Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial year-to-date except for the issuance of 11,450,000 new ordinary shares of RM0.50 each pursuant to a private placement exercise at an issue price of RM1.50 per ordinary share ("Private Placement") which was completed on 14 March 2012.

A8. Dividend Paid

The final single-tier dividend of 3.1 sen per share amounting to RM7.45 million in respect of the financial year ended 31 December 2011 was approved by the shareholders at the Annual General Meeting held on 18 June 2012. The dividend was paid on 3 August 2012.

A9. Segmental Information

The Group is organized into the following operating segments:-

a) Construction
b) Manufacturing of concrete products and trading of building materials
c) Property development and investment

The segment revenue and results for the financial period ended 30 September 2012:

	Construction	Manufacturing & Trading	Property development & Investment	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE					
External sales	596,952	63,598	595	0	661,145
Inter-segment sales	(121)	5,214	7,935	(13,028)	0
Total revenue	596,831	68,812	8,530	(13,028)	661,145
RESULTS					
Profit from operations	52,668	17,541	8,530	(7,838)	70,901
Other operating income					3,918
Selling and administrative expenses					(20,717)
Finance costs					(4,607)
Profit before tax					49,495
Income tax expense					(12,462)
Profit net of tax					37,033
Segment Assets	486,894	136,693	208,357	(151,350)	680,594
Segment Liabilities	319,773	90,703	49,609	(42,400)	417,685

A10. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current financial quarter.

A11. Capital commitments

Capital commitment for property, plant and equipment not provided for as at 30 September 2012 are as follows:-

	RM’000
Approved and contracted for	31,764

The capital commitment is mainly for the construction of the New Factory as defined in Note A12, and the acquisition of plant and equipments for the New Factory.

A12. Property, Plant and Equipment

The Group acquired property, plant and equipment amounting to RM55.69 million, mainly incurred in the acquisition of a parcel of industrial land in Negeri Sembilan ("NS Land") for the setting up of a new pre-cast components factory ("New Factory") thereon, the construction of the New Factory and the hollow core slab plant ("HCS Plant"), and the purchase of plant & machinery for the New Factory and HCS Plant during the financial period-to-date.

A13. Material events subsequent to the end of period reported

There were no material events subsequent to the end of the current financial quarter up to 22 November 2012, being the latest practicable date ("LPD") which is not earlier than 7 days from the date of issuance of this quarterly report, that have not been reflected in this quarterly report.

A14. Changes in composition of the group

There were no changes in the composition of the Group during the financial year-to-date.

A15. Contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

A16. Significant Related Party Transactions

The Group had the following transactions during the financial year-to-date with related parties in which certain directors of the Company have substantial financial interest:-

Nature of Transactions	Transaction Value Based on Billings (RM'000)	Balance outstanding as at 30 September 2012 (RM'000)
Provision of construction services to a company in which the Company's director, Pang Tin @ Pang Yon Tin has substantial financial interest	18,543	7,598
Purchase of quarry products from a company in which the Company's directors, Pang Tin @ Pang Yon Tin and Phang Piow @ Pang Choo Ing have substantial financial interest	19,559	14,234

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

B1. Operating Segments Review

(a) Quarter 3 Financial Year Ending 31 December ("FY") 2012 vs Quarter 3 FY2011

The Group achieved revenues of RM215.00 million during the current quarter, which is 34.4% higher as compared to RM159.93 million registered in the previous year's corresponding quarter.

Profit after tax of the Group of RM11.72 million for the current quarter is RM1.94 million or 19.8% higher than the RM9.78 million achieved in the previous year's corresponding quarter.

(b) 9 Months Ended 30 September 2012 ("Current Period") vs 9 Months Ended 30 September 2011 ("LY Corresponding Period")

The Group achieved revenues of RM661.14 million during the Current Period, which is 43.7% higher as compared to RM460.08 million registered in LY Corresponding Period.

Profit after tax of the Group of RM37.03 million for the Current Period is RM5.98 million or 19.3% higher than the RM31.04 million achieved in LY Corresponding Period.

(c) Performance review

The construction division continued to be the main revenue contributor to the Group, attributing 89.7**%** and 90.3% of the current quarter's and Current Period's revenue. For the current quarter, construction revenue improved by RM44.44 million, or 29.9%, compared to last year's corresponding quarter, whereas for the Current Period, construction revenue improved by RM173.08 million, or 40.8% as compared to LY Corresponding Period. The improvement in construction revenue in the current quarter and Current Period was mainly due to:

(i) greater amount of balance orders in hand carried forward from FY2011 for execution mainly in FY2012 vis-à-vis the amount of balance order in hand carried forward from FY2010 for execution mainly in FY2011; and
(ii) contribution from new projects secured during the Current Period

For the current quarter, manufacturing and trading revenue improved by RM13.33 million, or 113.7% from last year's corresponding quarter, whereas for the Current Period, manufacturing and trading revenue improved by RM31.19 million, or 82.9% as compared to LY Corresponding Period. The improvement in manufacturing and trading revenue in the current quarter and Current Period was mainly due to the increase in revenue from the sales of tunnel lining segments ("TLS") and jacking pipes ("JP") to Singapore, and the increase in revenue from the sales of prestressed planks locally.

For the current quarter, revenue of the property development and investment division were derived from interest income received from other divisions and interest income generated from deposits placed with financial institutions. For the Current Period, revenue of the property development and investment division were derived from dividend and interest income received from other divisions, and interest income generated from deposits placed with financial institutions. No revenue was generated from property development as the Group has yet to launch its development project.

The Group's gross profit margin declined from 11.3% in last year's corresponding quarter to 10.8% in the current quarter, and from 12.2% in LY Corresponding Period to 10.7% in Current Period, due to lower gross profit margin derived by the construction division partly offset by the improvement in the gross profit margin of manufacturing and trading division.

The construction division derived lower gross profit margin in the current quarter and Current Period mainly due to a larger proportion of lower gross profit projects being carried out during the period. Manufacturing and trading division derived better gross profit in the current quarter and Current Period mainly due to economies of scale arising from larger volume of business.

Despite the lower gross profit margin, gross profit of the Group rose by RM5.11 million and RM14.68 million for the current quarter and Current Period respectively on the back of higher revenue achieved by the Group.

Selling and administrative expenses, finance costs increased in line with the Group's increasing business activities.

Consequential upon the higher gross profit earned, the profit after taxation of the Group for the current quarter and Current Period increased by 19.8% and 19.3% respectively.

(d) Group Cashflow Review

The Group experienced net operating cash outflow of RM61.57 million for the Current Period mainly due to:

(a) higher level of construction activity and new projects commencing during the period. The Group will need to bear construction costs until a certain percentage or stage of completion before the Group can bill its customers, hence there will be temporary cash flow deficits when construction works escalate in a period;

(b) the payment of balance purchase consideration and incidental costs totalling RM27.49 million in relation to the acquisition of few parcels of land for future property development purposes,

Despite of the negative operating cash flow during the period, cash and cash equivalents of the Group stood at RM48.31 million as at 30 September 2012.

B2. Material Changes In The Quarterly Results Compared To The Results Of The Preceding Quarter

The Group experienced a 13.23% or RM32.80 million decline in revenue in the current quarter as compared to the preceding quarter, mainly attributable to lower construction activities during the current quarter following the completion of two larger size projects during the current quarter while construction activities of some new larger size projects have yet to reach their peak level.

The Group's gross profit margin declined slightly from 11.1% in the preceding quarter to 10.8% in the current quarter mainly due to lower gross profit margin derived by the manufacturing and trading division in the current quarter. The decrease in the gross profit margin of manufacturing and trading division was mainly due to:

(i) Pre-production overheads incurred by the new pre-cast components plant in Negeri Sembilan and the HCS Plant;
(ii) Lower sales of JP, a better margin products during the current quarter revenue; and

(iii) Higher cost of production following the increase in the price of cement during the current quarter

The Group's profit after taxation for the current quarter declined by 20.4% or RM3.01 million as compared to the preceding quarter, in line with the decline in revenue and gross profit margin.

B3. Prospects For 2012

The Board foresees 2012 as an exciting year for the Group with growth in both construction and manufacturing and trading divisions on the back of estimated balance order book of approximately RM1.7 billion collectively as at 30 September 2012. The Board is optimistic that the construction sector of Malaysia and Singapore will continue to be vibrant in 2012, thus offering opportunities for the Group to bid for further construction projects and pre-cast components sales orders.

Malaysian Construction Sector

The sector is projected to grow strongly by 7% in 2012 driven by the commencement of large infrastructure projects and vibrant housing construction activities. It is expected to benefit from the construction projects to be rolled out under the Tenth Malaysia Plan.

Malaysian Government has allocated RM230 billion for development expenditure under the 10th Malaysia Plan. Out of the RM230 billion development expenditure, RM138 billion or 60% is aimed to expand physical development to be undertaken by the construction sector.

Amongst few major projects to be rolled out under the 10th Malaysia Plan which could benefit the Group in the medium to long term include:

(a) the construction of a high-capacity Mass Rapid Transit system with a total length of about 150 km in Klang Valley ("KVMRT") at an estimated cost of RM 36 billion. The Group expects progressive awards of various contract packages for construction works including the tunneling portion to take place in 2012.

In February 2012, Mass Rapid Transit Corporation Sdn. Bhd. appointed SPC Industries Sdn Bhd ("SPC"), a wholly owned subsidiary of the Company as the designated supplier for the supply of segmental box girders to certain packages of the KVMRT project for RM223 Million over the period of approximately 40 months.

In June 2012, MMC-Gamuda KVMRT (T) Sdn. Bhd. awarded to SPC a sales order for the supply and delivery of precast concrete tunnel segment linings ("TLS") to the KVMRT project for RM48.48 million over the period of approximately 24 months.

(b) the construction of affordable houses and public amenities such as hospitals and clinics. The Board believes that most, if not all of these projects will be constructed using IBS construction method having regards to the Malaysian Government's policy that the content of IBS components in every new government project is to be increased to no less than 70% with effect from 31 October 2008, save for certain exceptions. Being one of the very few contractors with IBS design capabilities backed by pre-cast concrete manufacturing plant, the Group is in the position to take advantage on the roll out of these projects.

The residential sub-sector is expected to expand further supported by stronger demand for housing in line with improving household income, accommodative financing and the Malaysian Government's continuous support for home ownership.

Singapore Construction Sector

Singapore's construction demand for 2012 is projected to reach between SGD21 billion and SGD27 billion as compared to $32 billion in 2011. For 2012, about 60% of the demand is expected to come from the public sector. The support is expected to come from the continued strong public housing developments, as well as construction demand for institutional building and civil engineering projects. The total construction output is projected to rise to between $29 billion and $31 billion in 2012 from $27 billion in 2011.

One of the major projects which may benefit SPC, as a supplier of TLS is the construction of an extra-high-voltage underground power transmission network which comprises a 35 km cable tunnel ("Underground Cable Tunnel").

The Group will continue to bid actively for construction projects and orders for pre-cast concrete products particularly for the supply of TLS to Underground Cable Tunnel, Singapore MRT and KVMRT projects.

Though the construction industry in both Malaysia and Singapore continues to grow in 2012, the Group expects its profit margin to experience downward pressure arising from the following:

(i) the engagement of more services from specialists contractors and sub-contractors nominated by its clients to meet the requirements of some of the projects in hand;
(ii) set up costs and trial run costs of the New Factory; and
(iii) higher financing costs arising from the expected higher utilization of bank borrowings to meet the working capital requirements of higher level of operation, capital expenditure to acquire plant and machinery and the NS Land.

The key challenges/risks for the Group include potential higher costs of materials and shortage in supply of labour. Prices of materials may escalate further due to various factors such as inflationary pressures, high commodity prices and potential higher demand for raw materials consequential upon the progressive roll-out of large projects under the Economic Transformation Programme and the Tenth Malaysia Plan.

As for its property development division, the Group expects to launch its maiden SOHO and offices property development project in Cyberjaya, Selangor in the fourth quarter of this year. Revenue from the property development division is not expected to be significant this year in view of the timing of launching and expected low completion stage as at end of year 2012.

Barring any unforeseen circumstances, the Board is confident that the Group's business will further improve in 2012.

B4. Profit Forecast And Profit Estimate

The Group did not issue any profit forecast or profit estimate previously in any public document.

B5. Profit Before Tax

The following items have been included in arriving at profit before tax:

		Current Quarter 3 months ended 30.09.2012 RM'000	Cumulative Quarter 9 months ended 30.09. 2012 RM'000
(a)	interest income	1,147	3,336
(b)	other income including investment income	183	517
(c)	interest expense	1,826	4,607
(d)	depreciation and amortization	2,176	5,792
(e)	provision for and write off of receivables	0	0
(f)	provision for and write off of inventories	0	0
(g)	(gain) or loss on disposal of quoted or unquoted investments or properties	0	(65)
(h)	impairment of assets	0	0
(i)	foreign exchange (gain) or loss	192	(349)
(j)	gain or loss on derivatives	0	0
(k)	exceptional items	0	0

B6. Taxation

	Current Quarter 3 months ended 30.09.2012 RM'000	Cumulative Quarter 9 months ended 30.09.2012 RM'000
In respect of the current period		
- Income tax	4,037	12,888
- Deferred tax	7	(280)
	4,044	12,608
In respect of prior year		
- Income tax	0	(262)
- Deferred tax	0	116
	4,044	12,462

The effective tax rate approximate the statutory rate applicable to the Group for the current quarter.

B7. Status of Corporate Proposals and Utilisation of Gross Proceeds

(a) There is no corporate proposal that has been announced by the Company but not completed as at the LPD.

(b) The status of utilization of the gross proceeds from Public Issue as at LPD is as follows:

Description	Estimated timeframe for utilisation upon Listing	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000	Deviation %	Explanation
Construction of factories and purchase of plant and machinery	Within 33^ months	31,540^	30,214	1,326	4.2%	(1)
Purchase of a parcel of industrial land	Within 12 months	5,200*	5,200	0	0%	(3)
Working capital	Within 33 Months^	21,340^	21,340	0	0%	
Estimated listing expenses	Immediate	4,000	4,000	0	0%	(2)
Total Proceeds		62,080	60,754	1,326		

Note:-

* *Inclusive of estimated incidental cost of RM200,000.*

^ *Revised per the Company's announcement on 21 December 2011*

(1) IPO proceeds will be utilized within the estimated timeframe. The Group does not expect any material deviation as at the date of this report.

(2) The total listing expenses was RM4.09 million. The deviation of RM0.09 million was financed via the funds generated internally by the Group.

(3) The total amount incurred on the purchase of the industrial land was RM5.19 million. The unutilised balance of RM0.01 million was used for working capital of the Group.

(c) The status of utilization of the gross proceeds from the Private Placement as at LPD is as follows:

Description	Estimated timeframe for utilisation from the receipt of the proceeds	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000	Deviation %	Explanation
Development and incidental expenditure of the Group's existing land bank	Within 18 months	13,000	2,576	10,424	80.2%	(4)
Purchase of a parcel of industrial land	Within 12 months	2,800	2,800	0	0%	
Working capital	Within 18 Months	935	935	0	0%	
Expenses incidental to the Private Placement	Within 1 month	440	440	0	0%	
Total Proceeds		17,175	6,751	10,424		

Note:-

(4) Private Placement proceeds will be utilized within the estimated timeframe. The Group does not expect any material deviation as at the date of this report.

B8. Group Borrowing and Debts Securities

The Group's borrowing and debts securities as at 30 September 2012 are as follows:

	RM'000
Long term borrowings	
Secured:	
Hire purchase creditors	6,852
Term loans	41,872
	48,724
Short term borrowings	
Secured:	
Bank overdraft	12,079
Hire purchase creditors	2,458
Bankers' acceptance	67,803
Advance against progressive claim	17,496
Term loans	2,555
	102,391

B9. Material Litigation

There was no material litigation as at the LPD.

B10. Realised and Unrealised Profits

The determination of realised and unrealised profits is based on the Guidance of 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, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits below is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities.

	Group 30.09.2012 RM'000	**Group 31.12.2011 RM'000**
Total retained earnings		
- Realised	107,121	78,529
- Unrealised	(2,134)	(3,247)
	104,987	75,282
Less : Consolidation adjustments	(440)	(433)
Total Group retained earnings as per consolidated accounts	104,547	74,849

B11. Dividends

(a) A final single-tier dividend of 3.1 sen per share amounting to RM7.45 million in respect of the financial year ended 31 December 2011 was approved by the shareholders at the Annual General Meeting held on 18 June 2012. The dividend was paid on 3 August 2012.

(b) The Board of Directors does not recommend the payment of an interim dividend for the financial quarter ended 30 September 2012.

(c) Dividend declared during the previous year's corresponding period:

   (i) The final single-tier dividend of 2.8 sen per share amounting to RM6.41 million in respect of the financial year ended 31 December 2010
   (ii) The first interim single-tier dividend of 2.0 sen per share in respect of the financial year ended 31 December 2011

B12. Earnings Per Share ("EPS")

Basic EPS are calculated by dividing the profit attributable to equity holder of the Group by the weighted average number of ordinary shares in issue during the financial period as follow:

	Current Quarter Ended		**Year to-Date Ended**	
	30.09.2012	**30.09.2011**	**30.09.2012**	**30.09.2011**
Profit attributable to equity holder of the Group (RM'000)	11,793	9,782	37,151	31,042
Weighted average number of ordinary shares in issue ('000)	237,608^	229,000	237,608^	229,000
Basic earnings per share (RM)	0.050	0.043#	0.156	0.136#

The diluted earnings per share are not shown as there were no dilutive instruments as at balance sheet date.

^: Weighted average ordinary shares in issue
#: Had the EPS been computed based on the weighted average number of ordinary shares in issue of 237.6 million shares, the EPS for preceding year quarter ended 30 September 2011 and preceding year to-date ended 30 September 2011 would be RM0.041 and RM0.131 respectively.