

SIG

SIG Gases Berhad
(Company No:875083-W)

Unaudited Condensed Consolidated Statement of Comprehensive Income For the Second Quarter Ended 30 June 2010

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>Current Year Quarter 30 June 2010 RM'000</u>	<u>Preceding Year Quarter (2) 30 June 2009 RM'000</u>	<u>Current Year To Date 30 June 2010 RM'000</u>	<u>Preceding Year To Date (2) 30 June 2009 RM'000</u>
Revenue	14,957	N/A	28,238	N/A
Cost of sales	(9,491)	N/A	(18,504)	N/A
Gross Profit	5,466	N/A	9,734	N/A
Other income	169	N/A	484	N/A
Selling and administrative expenses	(3,705)	N/A	(6,029)	N/A
Finance costs	(313)	N/A	(659)	N/A
Profit before tax	1,617	N/A	3,530	N/A
Income tax expense	(355)	N/A	(774)	N/A
Profit after tax	1,262	N/A	2,756	N/A
Other comprehensive income	-	N/A	-	N/A
Total comprehensive income for the period	1,262	N/A	2,756	N/A
Total comprehensive income attributable to :				
Equity holders of the company	1,262	N/A	2,756	N/A
Minority interest	-	N/A	-	N/A
	1,262	N/A	2,756	N/A
Earning Per Share (RM)				
- Basic (3)	0.01	N/A	0.03	N/A
- Diluted	0.01	N/A	0.03	N/A

Notes

(1) The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial period ended 30 April 2010 as disclosed in the Prospectus of the Company dated 22 July 2010 and the accompanying notes attached to this interim financial statements.

The Condensed Consolidated Statement of Comprehensive Income is prepared based on the operating results of the Company and its subsidiaries using merger accounting principles. Further details of the acquisitions of the subsidiaries are set out in Note B8 in the attached explanatory notes to the interim financial statements.

(2) This is the first interim financial report on the consolidated results of the Company and its subsidiaries announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. As such, there are no comparative figures for the preceding year's corresponding quarter and period.

(3) Based on the issued share capital of 100,800,000 shares after completion of the Acquisition, as detailed in Note B8.

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SIG Gases Berhad
(Company No:875083-W)

Unaudited Condensed Consolidated Statements of Financial Position As at 30 June 2010

	Unaudited As at 30 June 2010 RM'000	Unaudited As at 30 June 2009 RM'000
Assets		
Non-current assets		
Property, Plant and equipment	68,952	N/A
Prepaid Land Lease Payment	2,485	N/A
Intangible Assets	212	N/A
	<u>71,649</u>	<u>N/A</u>
Current assets		
Inventories	3,383	N/A
Trade and other receivables	18,384	N/A
Cash and Bank balances	146	N/A
	<u>21,913</u>	<u>N/A</u>
TOTAL ASSETS	<u>93,562</u>	<u>N/A</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	50,400	N/A
Merger deficit	(27,400)	N/A
Retained profits	31,909	N/A
Total equity	<u>54,909</u>	<u>N/A</u>
Non-current liabilities		
Trade Payable	2,087	N/A
Deferred tax liabilities	6,797	N/A
Loans and borrowings	9,401	N/A
	<u>18,285</u>	<u>N/A</u>
Current liabilities		
Trade and other payable	11,544	
Loans and borrowings	8,824	N/A
	<u>20,368</u>	<u>N/A</u>
Total liabilities	<u>38,653</u>	<u>N/A</u>
TOTAL EQUITY AND LIABILITIES	<u>93,562</u>	<u>N/A</u>
Net Assets Per Share attributable to ordinary equity holders of the Company (RM) (3)	0.54	N/A

Notes

(1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial period ended 30 April 2010 as disclosed in the Prospectus of the Company dated 22 July 2010 and the accompanying notes attached to this interim financial statements.

(2) This is the first interim financial report on the consolidated financial position of the Company and its subsidiaries announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. As such, there are no comparative figures for the preceding year's corresponding period.

(3) Based on the issued share capital of 100,800,000 shares after completion of the Acquisition, as detailed in Note B8.

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SIG Gases Berhad
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Unaudited Condensed Consolidated Statements of Changes in Equity As at 30 June 2010

	Non-distributable		Distributable	Total RM'000
	Share capital RM'000	Merger Deficit RM'000	Revenue Reserve RM'000	
As at 1 January 2010	**	-	(39)	(39)
Effect arising from merger	50,400	(27,400)	29,192	52,192
	50,400	(27,400)	29,153	52,153
Total Comprehensive income for the period	-	-	2,756	2,756
As at 30 June 2010	50,400	(27,400)	31,909	54,909

** Denotes RM10.00

Notes

(1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial period ended 30 April 2010 as disclosed in the Prospectus of the Company dated 22 July 2010 and the accompanying notes attached to this interim financial statements.

(2) This is the first interim financial report on the consolidated statement of changes in equity of the Company and its subsidiaries announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. As such, there are no comparative figures for the preceding year's corresponding quarter and period.



SIG Gases Berhad
(Company No:875083-W)

Unaudited Condensed Consolidated Statements of Cash Flow
For the Second Quarter Ended 30 June 2010

	6 months ended	
	30 June 2010	30 June 2009
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	3,530	N/A
Adjustment for:		N/A
Depreciation	1,618	N/A
Interest expenses	659	N/A
Provision for doubtful debts	1,060	N/A
Unrealised foreign exchange gain	(272)	N/A
Others	(121)	N/A
Operation profit before working capital changes	<u>6,474</u>	<u>N/A</u>
Net Changes in Current Assets	(2,386)	N/A
Net Changes in Current Liabilities	1,413	N/A
Cash generated from operating activities	<u>5,501</u>	<u>N/A</u>
Interest paid	(659)	N/A
Tax paid	(176)	N/A
Net Cash generated from operating activities	<u>4,666</u>	<u>N/A</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,226)	N/A
Proceed from disposal of property, plant and equipment	181	N/A
	<u>(4,045)</u>	<u>N/A</u>
Cash flow from financing activities		
Repayment of borrowings	(1,852)	N/A
	<u>(1,852)</u>	<u>N/A</u>
Net decrease in cash and cash equivalents	(1,231)	N/A
Cash and cash equivalents at beginning of financial period	1,377	N/A
Cash and cash equivalents at final of financial period	<u>146</u>	<u>N/A</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	146	N/A
Bank overdrafts	-	N/A
	<u>146</u>	<u>N/A</u>

Notes:

(1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial period ended 30 April 2010 as disclosed in the Prospectus of the Company dated 22 July 2010 and the accompanying notes attached to this interim financial statements.

(2) This is the first interim financial report on the consolidated cashflows of the Company and its subsidiaries announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. As such, there are no comparative figures for the preceding year's corresponding period.



SIG GASES BERHAD (875083-W)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2010

NOTES TO THE REPORT

PART A - EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL 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"). This is the first interim financial report on the consolidated results for the second quarter ended 30 June 2010 announced by the Company in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding period.

The interim financial report should be read in conjunction with the proforma combined financial statements for the financial period ended 30 April 2010 as disclosed in the Prospectus of the Company dated 22 July 2010 and the accompanying explanatory notes attached to this interim financial report.

The interim financial report contains condensed consolidated 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 SIG Gases Berhad Group. The interim consolidated 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 are consistent with those of the audited financial statements for the financial period/year ended 31 December 2009 of the Group, 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 2010:

FRS 4: Insurance Contracts

FRS 7: Financial Instruments: Disclosures

FRS 8: Operating Segments

FRS 101: Presentation of Financial Statements (Revised)

FRS 123: Borrowing Costs

FRS 139: Financial Instruments: Recognition and Measurement

Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 2: Share-based Payment – Vesting Conditions and Cancellations

Amendments to FRS 132: Financial Instruments: Presentation

Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and IC Interpretation 9: Reassessment of Embedded Derivatives

Improvements to FRSs issued in 2009

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 13: Customer Loyalty Programmes

IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

TR I – 3: Presentation of Financial Statements of Islamic Financial Institutions

Adoption of the above Standards and Interpretations did not have any effect on the financial performance or position of the Company except for those discussed below :

(i) FRS 7 *Financial Instruments: Disclosures*

Prior to 1 January 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 *Financial Instruments: Disclosure and Presentation*. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group has applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's financial statements for the period ended 30 June 2010.



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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2010

(ii) FRS 8: Operating Segments

FRS 8 requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group presents its segment information based on its business segments, which is also the basis of presenting its monthly internal management reports.

(iii) FRS 101 *Presentation of Financial Statements* (Revised)

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present this statement as one single statement.

(iv) FRS 139: Financial instruments: Recognition and measurement

FRS 139 establishes principles for recognition and measurement of financial instruments. The Group has adopted FRS139 prospectively on 1 January 2010 in accordance with the transitional provisions of FRS139.

Financial Assets and Liabilities

(a) Receivables

Prior to 1 January 2010, receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, receivables are initially measured at fair value and subsequently at amortized cost at effective interest rate method. Gains and losses are recognized in the income statement when the related accretion cost are derecognized or further impaired.

(b) Payables

Prior to 1 January 2010, payables were stated at gross amount payable. Under FRS 139, payables are initially measured at fair value and subsequently at amortized cost using the effective interest rate method. Gains and losses are recognized in the consolidated income statements.

(c) Derivative Financial Instruments

The Group does not have any off balance sheet financial instruments in the previous financial year or the current financial quarter.

Disclosure of Gains or Losses arising from Fair Value Changes of Financial Assets and Liabilities

In accordance with the transitional provisions of FRS 139, the applicable 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 following opening balances in the balance sheet as at 1 January 2010.

(ii) Standards and Interpretations issued and not yet effective

The following revised FRSs, new IC Interpretations and Amendments to FRSs have been issued by the MASB and are effective for annual periods commencing on or after 1 July 2010. They have yet to be adopted as they are not yet effective for the current quarter ended 30 June 2010 and current financial year ending 31 December 2010:

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
Amendments to FRS 2	Share-based payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 127	Consolidated and Separate Financial Statements(amended)
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distribution of Non-cash Assets to Owner
Amendments to FRS 132	Classification of Rights Issues
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 7	Improving Disclosures about Financial Instruments

The Group will adopt these relevant Standards beginning on 1 January 2011. The adoption of these new Standards in next financial year is not expected to result in any significant impact in the accounting policies of the Group.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2010

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 period/year ended 31 December 2009.

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 current financial quarter.

A6. Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the material effect in the current financial quarter.

A7. Changes in Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the securities during the current financial quarter other than disclosed in Note B8.

A8. Dividend Paid

There was no dividend paid in the current financial period.

A9. The Group is organized into the following operating segments:-

- 1) Manufacturing of Industrial Gases
- 2) Refilling of Industrial Gases
- 3) Distribution of Industrial Gases
- 4) Cylinder and Delivery Services
- 5) Other Products and Services

	Manufacturing of Industrial Gases	Refilling of Industrial Gases	Distribution of Industrial Gases	Cylinder and Delivery Services	Other Products and Services	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE	13,865	6,401	4,379	2,698	895	28,238
RESULTS						
Profit from operations						9,734
Other income						484
Selling and administrative expenses						(6,029)
Finance costs						(659)
Profit before tax						3,530
Income tax expense						(774)
Total comprehensive income						2,756

A10. Valuation of property, plant and equipment

There was no valuation of the 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 June 2010 are as follows:-

Approved and contracted for	RM'000 1,506
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SIG GASES BERHAD (875083-W)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2010

A12. Property, Plant and Equipment

The Group acquired property, plant and equipment amounting to RM4.23 million during current financial quarter.

A13. Material events subsequent to the end of period reported

Save as disclosed under note B8, there were no material events subsequent to the end of the current financial quarter that have not been reflected in this quarterly report as at the date of this report. The Group is expected to be listed on the Main Market of Bursa Securities on 09 August 2010.

A14. Changes in composition of the group

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

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 current financial quarter 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 June 2010 RM'000
Purchase of refrigerants, cylinders, valves, liquid oxygen, liquid nitrogen, liquid argon, liquid carbon dioxide, specialty gases and overdue interest from a company in which the Company's director, Peh Lam Hoh has substantial financial interest	3,614	5,708
Sales of industrial gases to a company in which the Company's director, Peh Lam Hoh has substantial financial interest	27	56
Purchase of welding product and equipment from a company, in which Loh Pei Yon, a substantial shareholder, has substantial financial interest	22	17
Sales of industrial gases to a company, in which Loh Pei Yon, a substantial shareholder, has substantial financial interest	455	459
Purchase of valves and spare parts from a company in which a subsidiary company's director, Kong Khim Tuck has substantial financial interest	3	8

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SIG GASES BERHAD (875083-W)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2010

NOTES TO THE REPORT

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

B1. Review Of Performance Of The Group

The Group has achieved a revenue of RM14.96 million during the current quarter, which has increased by 12.60% or RM1.68 million as compared to the previous quarter. The increase in revenue is mainly due to increase in Manufacturing industrial gases segment and Cylinder and Delivery Services by RM1.03 million or 16% and RM0.48 million or 43.06% respectively as compared to the First Quarter.

The Gross profit has increased from RM4.27 million in First Quarter to RM5.47 million in Current Quarter mainly due to increase in revenue by RM1.68 million. The Gross profit margin has improved from 32.13% in First Quarter to 36.54% in Second Quarter which is mainly due to increase in GPM from Manufacturing industrial gases from 34.15% in First Quarter to 41.62% in Current Quarter.

The Profit after taxation has decreased from RM1.49 million in First Quarter to RM1.26 million in Current quarter mainly due to the provision of doubtful debt of RM1.06 million in the current quarter. However, provision for taxation has decreased from RM0.41 million in First Quarter to RM0.36 million in Current Quarter mainly due to the decrease in PRT from RM1.91 million in First Quarter to RM1.62 million in Current Quarter.

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

No comparative figures are presented for the immediate preceding quarter as this is the first consolidated results of the Group being announced by the Company.

B3. Current Year Prospects

There are strong indications that economic conditions in Malaysia are improving from the negative effects of the global financial crisis that began in mid-2007. The near term outlook, particularly for 2010, is likely to be more positive than 2009.

In 2009, Malaysia's real GDP contracted by 1.7%. However, the real GDP growth forecast for 2010 is 4.5% to 5.5% (Source: Bank Negara Malaysia).

The Malaysian economy registered strong real GDP growth of 10.1% in the first quarter of 2010, led by continued expansion in domestic demand and stronger external demand (Source: Bank Negara Malaysia).

Based on the industry outlook listed above, the Board of Directors is of the opinion that the Group's revenue will continue to increase and the Group will remain profitable for the next two quarters.

B4. Profit Forecast And Profit Estimate

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

B5. Income Tax Expense

	RM'000
Malaysia tax	
- Current year	223
Deferred tax	551
	<u>774</u>

B6. Profit on Sale of Unquoted Investments and / or Properties

There was no Profit on Sale of Unquoted Investments and / or Properties during the current financial quarter.

B7. Purchase or Disposal of Quoted Securities

There was no Purchase or Disposal of Quoted Securities during the current financial quarter.

**SIG GASES BERHAD (875083-W)****UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2010****B8. Status of Corporate Proposals**

In conjunction with, and as an integral part of our Listing, we undertook the following Listing Scheme, which involves the following:-

(i) Acquisition

On 8 December 2009, SIG Gases entered into share sale agreement with the vendors of Southern Industrial Gas Sdn Bhd for the acquisition of the entire equity interest in Southern Industrial Gas Sdn Bhd comprising 23,000,000 ordinary shares of RM1.00 each. The purchase consideration of the Acquisition is RM50,399,990, which was satisfied by the issuance of 100,799,980 shares to the vendors of Southern Industrial Gas Sdn Bhd at an issue price of RM0.50 per share. The Acquisition was completed on 12 May 2010.

On 31 May 2010, Southern Industrial Gas transferred the 2 existing ordinary shares in Southern Oxygen Sdn Bhd and Southern Carbon Dioxide Sdn Bhd respectively for a nominal value of RM1.00 per share to SIG Gases.

(ii) Initial Public Offer ("IPO")**(a) Public issue**

The Company is undertaking a Public Issue of 49.20 million ordinary shares of RM0.50 each at an issue price of RM0.58 per share.

(b) Offer for sale

3,000,000 ordinary shares of RM0.50 each representing 2.00% of the enlarged issued and paid up share capital of SIG Gases Berhad upon listing will be offered at RM0.58 per share.

The Company issued its prospectus for its IPO on 22 July 2010

(iii) Listing

Subsequent to the Public Issue and Offer for Sale, the Company proposes to seek the listing of and quotation for its entire enlarged issued and paid-up share capital, comprising of 150 million ordinary shares of RM0.50 each on the Main Market of Bursa Securities.

(iv) Utilisation of Proceeds

The Public Issue is expected to raise gross proceeds of RM28.54 million which will accrue to the Company. We propose to utilize the proceeds raised in the following manner:-

Description	Estimated timeframe for utilisation upon Listing	Amount (RM'000)	% of total gross proceeds
Purchase of land and building its facilities	24 months	14,736	51.64
Purchase of property, plant & equipment	12 months	6,400	22.43
Repayment of term loan	12 months	4,200	14.72
Listing expenses	Immediately	3,200	11.21
Total Proceeds		28,536	100.00

The gross proceeds arising from the Offer for Sale, net of the relevant fee, shall accrue entirely to the Offeror and no part of the proceeds will be received by the Company.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2010

B9. Group Borrowing and Debts Securities

The Group's borrowing and debts securities as at 30 June 2010 are as follows:

	RM'000
Long term borrowings	
<u>Secured:</u>	
Hire purchase creditors	800
Term loans	8,601
	<u>9,401</u>
Short term borrowings	
<u>Secured</u>	
Hire purchase creditors	1,343
Bankers acceptance	3,757
Term loans	3,724
	<u>8,824</u>
Total	<u>18,225</u>
Gearing ratio	0.33 times

B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this quarterly report.

B11. Material Litigation

There were no material litigation as at the date of issuance of this quarterly report.

B12. Dividends

No interim dividend has been declared during the current quarter under review.

B13. Earnings Per Share

Basic and diluted earnings per share are calculated based on the enlarged share capital of 100,800,000 ordinary shares of RM0.50 each in issue after completion of the Acquisition on 12 May 2010.

B14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors on 2 August 2010.