SIG

SIG GASES BERHAD

(Company No.: 875083 - W)
(Incorporated in Malaysia)

Financial Report
For The Fourth Quarter Ended
31 December 2010

Unaudited Condensed Consolidated Statement of Comprehensive Income
For the Financial Year Ended 31 December 2010

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31 December 2010 RM'000	Preceeding Year Quarter (2) 31 December 2009 RM'000	Current Year To Date 31 December 2010 RM'000	Preceeding Year To Date (2) 31 December 2009 RM'000
Revenue	13,749	N/A	55,261	N/A
Cost of sales	(9,169)	N/A	(36,398)	N/A
Gross profit	4,580	N/A	18,863	N/A
Other income	121	N/A	848	N/A
Selling and administrative expenses	(2,338)	N/A	(10,509)	N/A
Finance costs	(251)	N/A	(1,256)	N/A
Profit before tax	2,112	N/A	7,946	N/A
Income tax expense	(624)	N/A	(1,935)	N/A
Profit after tax	1,488	N/A	6,011	N/A
Other comprehensive income	-	N/A	-	N/A
Total comprehensive income for the period	1,488	N/A	6,011	N/A
Total comprehensive income attributable to :				
Equity holders of the company	1,488	N/A	6,011	N/A
Minority interest	-	N/A	-	N/A
	1,488	N/A	6,011	N/A
Earning per share (Sen)				
- Basic (3)	1.27	N/A	5.12	N/A
- Diluted	1.27	N/A	5.12	N/A

Notes

1. The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Proforma Consolidated Financial Information 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 year consolidated results of the Company and its subsidiaries are 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 weighted average issue share capital of 117,200,000 shares, as detailed in Note B14.

Unaudited Condensed Consolidated Statements of Financial Position
As at 31 December 2010

	Unaudited As at 31 December 2010 RM'000	Unaudited As at 31 December 2009 RM'000
Assets		
Non-current assets		
Property, plant and equipment	76,780	N/A
Intangible assets	199	N/A
	76,979	N/A
Current assets		
Inventories	2,488	N/A
Trade and other receivables	19,493	N/A
Cash and bank balances	15,885	N/A
	37,866	N/A
TOTAL ASSETS	114,845	N/A
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	75,000	N/A
Reserve	9,313	N/A
Total equity	84,313	N/A
Non-current liabilities		
Deferred tax liabilities	7,872	N/A
Loans and borrowings	5,795	N/A
	13,667	N/A
Current liabilities		
Trade and other payable	9,708	N/A
Loans and borrowings	7,157	N/A
	16,865	N/A
Total liabilities	30,532	N/A
TOTAL EQUITY AND LIABILITIES	114,845	N/A
Net assets per share attributable to ordinary equity holders of the Company (RM) (3)	0.56	N/A

Notes

1. The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Proforma Consolidated Financial Information 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 year consolidated results of the Company and its subsidiaries are 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 and paid up share capital as at 31 December 2010.

Unaudited Condensed Consolidated Statements of Changes in Equity
As at 31 December 2010

	Non-distributable		Distributable	
	Share Capital RM'000	**Share Premium RM'000**	**Revenue Reserve RM'000**	**Total RM'000**
As at 1 January 2010	**	-	(39)	(39)
Issuance of ordinary shares pursuant to the acquisition of subsidiaries	50,400	-	-	50,400
Arising from acquisition of subsidiaries	-	-	29,192	29,192
Merger deficit set off	-	-	(27,400)	(27,400)
	50,400	-	1,753	52,153
Public issue at RM0.58 per share	24,600	3,936	-	28,536
Listing expenses	-	(2,387)	-	(2,387)
Total comprehensive income for the period	-	-	6,011	6,011
As at 31 December 2010	75,000	1,549	7,764	84,313

** 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 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 year consolidated consolidated results of the Company and its subsidiaries are 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.

Unaudited Condensed Consolidated Statements of Cash Flow
For the Financial Year Ended 31 December 2010

	Year ended	
	31 December 2010 RM'000	**31 December 2009 RM'000**
Cash flows from operating activities		
Profit before taxation	7,946	N/A
Adjustment for:		
Depreciation	3,336	N/A
Gain on disposal of property, plant and equipment	(295)	N/A
Interest expenses	1,130	N/A
Allowance for doubtful debts	286	N/A
Bad debts recovered	(28)	N/A
Unrealised foreign exchange gain	(342)	N/A
Others	20	N/A
Operation profit before working capital changes	12,053	N/A
Net changes in current assets	(1,851)	N/A
Net changes in current liabilities	(2,276)	N/A
Cash generated from operating activities	7,926	N/A
Interest paid	(1,130)	N/A
Tax paid	(409)	N/A
Net cash generated from operating activities	6,387	N/A
Cash flows from investing activities		
Purchase of property, plant and equipment	(11,479)	N/A
Proceed from disposal of property, plant and equipment	593	N/A
	(10,886)	N/A
Cash flow from financing activities		
Proceeds from issuance of shares	28,536	N/A
Payment of listing expenses	(2,387)	
Repayment of borrowings	(7,142)	N/A
	19,007	N/A
Net increase in cash and cash equivalents	14,508	N/A
Cash and cash equivalents at beginning of financial year	1,377	N/A
Cash and cash equivalents at final of financial year	15,885	N/A
Cash and cash equivalents at the end of the financial year comprise the following:		
Cash and bank balances	15,885	N/A

Notes:

1. The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Proforma Consolidated Financial Information 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 year consolidated cashflows of the Company and its subsidiaries are 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.

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 year the results are 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 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 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
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

NOTES TO THE REPORT

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

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 Group and 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. The new disclosures are included throughout the Group's financial statements for the year ended 31 December 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.

NOTES TO THE REPORT

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

(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 current financial year.

(v) Amendments to FRS 117 Leases

Prior to 1 January 2010, for all leases of land and buildings, if title is not expected to pass to the lessee by the end of the lease term, the lessee normally does not receive substantially all of the risks and rewards incidental to ownership. Hence, all leasehold land held for own use was classsified by the Group as operating lease and where necessary, the minimum lease payments or the up-front payments made were allocated between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inceptionof the lease. The up-front payment represented prepaid lease payments and were amortised on a straight-line basis over the lease term.

The amendments to FRS 117 Leases clarify that leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets. They also clarify that the present value of the residual value of the property in a lease with a term of several decades would be negligible and accounting for the land element as a finance lease in such circumstances would be consistent with the economic position of the lessee. Hence, the adoption of the amendments to FRS 117 has resulted in certain unexpired land leases to be reclassified as finance leases. The Group has applied this change in accounting policy retrospectively and certain comparatives have been restated. The following are effects to the consolidated statement of financial positions as at 31 December 2010 arising from the above change in accounting policy:

	Group 2010 RM
Increase/(decrease) in:	
Property,plant and equipment	4,302
Prepaid land lease payment	(4,302)

NOTES TO THE REPORT

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

(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 January 2011. They have yet to be adopted as they are not yet effective for the current financial year ended 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
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
FRS 124	Related party disclosures

The adoption of these new Standards in the next financial year is not expected to result in any significant impact in the accounting policies of the Group.

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 2009.

NOTES TO THE REPORT

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

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

Save as disclosed under Note B8 below, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial year-to-date.

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
(2) Refilling and Distribution
(3) Other Products and Services

NOTES TO THE REPORT

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

	Manufacturing	Refilling and Distribution	Other Products and Services	Total
	RM'000	RM'000	RM'000	RM'000
REVENUE	27,572	26,025	1,664	55,261
RESULTS				
Profit for reportable segment	10,307	8,391	165	18,863
Other income				848
Selling and administrative expenses				(10,509)
Finance costs				(1,256)
Profit before tax				7,946
Income tax expense				(1,935)
Total comprehensive income				6,011

NOTES TO THE REPORT

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

A10. Valuation of property, plant and equipment

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

A11. Capital commitments

Capital commitment for property, plant and equipment not provided for as at 31 December 2010 are as follows:-

	RM'000
Approved and contracted for	7,382

A12. Property, plant and equipment

The Group acquired property, plant and equipment amounting to RM11.48 million during the current financial year.

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 17 February 2011, 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 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 was listed on the Main Market of Bursa Malaysia Securities Berhad on 9 August 2010.

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 and year to date with related parties in which certain directors of the Company have substantial financial interest:-

Nature of transactions	Transactions during the current financial quarter RM'000	Transactions Year-to-date RM'000	Balance outstanding as at 31 December 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	2,848	14,877	1,765
Sales of industrial gases and equipments to a company in which the Company's director, Peh Lam Hoh has substantial financial interest	197	261	203
Purchase of welding product and equipment from a company , in which Loh Pei Yon, a substantial shareholder, has substantial financial interest	29	101	16
Sales of industrial gases to a company, in which Loh Pei Yon, a substantial shareholder, has substantial financial interest	598	1,935	598
Purchase of valves and spare parts from a company in which a subsidiary company's director, Kong Khim Tuck, has substantial financial interest	4	8	4

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 RM13.75 million during the current quarter, an increase of RM0.48 million or 3.45% as compared to the previous quarter. The increase in revenue is mainly due to increase in refilling and distribution of industrial gases segment by RM0.57 million or 11.81% as compared to the Third Quarter.

The Profit after taxation has decreased from RM1.77 million in Third Quarter to RM1.49 million in Current quarter mainly due to the writing back of provision of doubtful debts of RM0.53 million in the third quarter.

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

The increase in gross profit was mainly due to increase in sales volume. The decrease in profit before tax and profit after tax were mainly due to writting back of provision for doubtful debt of RM0.53 million in the preceding quarter.

NOTES TO THE REPORT

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

B3. Current Year Prospects

The Board of Directors is of the opinion that the Group's revenue will increase and the Group will remain profitable for the current year due to the increase in product range and the anticipated higher market demand.

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

	Current Quarter 3 months ended 31-Dec-10 RM'000	Cumulative Year ended 31-Dec-10 RM'000
In respect of the current period		
- Income tax	(69)	309
- Deferred tax	693	1,626
	624	1,935

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

There were no sales of unquoted investments and/or properties during the current financial quarter and financial year.

B7. Purchase or Disposal of Quoted Securities

There was no purchase or disposal of quoted securities for the current financial quarter and financial year.

NOTES TO THE REPORT

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

B8. Status of Corporate Proposals

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

(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 was 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 Sdn Bhd transferred the 2 existing ordinary shares in Southern Oxygen Sdn Bhd (SOSB) and Southern Carbon Dioxide Sdn Bhd (SCDSB) respectively for a nominal value of RM1.00 per share to SIG Gases. After the transfers, SOSB and SCDSB are now wholly owned subsidiaries of SIG Gases.

(ii) Initial Public Offer ("IPO")

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

(a) Public issue

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 at RM0.58 per share.

(iii) Listing

The Company's entire enlarged issued and paid-up share capital after the public issue and offer for sale, comprising of **150** million ordinary shares of RM0.50 each were listed on the Main Market of Bursa Malaysia Securities Berhad on 9 August 2010.

NOTES TO THE REPORT

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

(iv) Utilization of Proceeds

Arising from the Public Issue, the Company raised gross proceeds of RM28.54 million.

No.	Description	Estimated timeframe for utilisations upon Listing	Proposed Utilisations (RM'000)	Actual Utilisations (RM'000)	Amendment (RM'000)	Reclassification (RM'000)	Balances to be utilised (RM'000)	%
1	**Purchase of land and building its facilities**	24 months						
1.1	Sarawak - Similaju Industrial Park		9,736	-	(2,500)	667	7,903	100%
1.2	Sarawak - Kemena Industrial Park, Bintulu		-	(325)	2,500		2,175	87%
1.3	Kuantan		2,500	(965)			1,535	61%
1.4	Melaka		2,500	(843)			1,657	66%
			14,736	(2,133)	-	667	13,270	86%
2	**Purchase of property, plant & equipment**	12 months						
2.1	Cylinders		5,400	(5,056)			344	6%
2.2	Hydrogen long tube		1,000	(752)			248	25%
			6,400	(5,808)	-	-	592	9%
3	**Repayment of term loan**	12 months	4,200	(4,200)			-	0%
4	**Listing expenses**	Immediately	3,200	(2,533)		(667)	-	0%
	Total		28,536	(14,674)	-	-	13,862	49%

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

The gross proceeds arising from the Offer for Sale, net of the relevant fees, accrued entirely to the Offeror and no part of the proceeds was received by the Company.

1. The excess of provision for Listing expenses of RM0.67 Million will be ultilized in the purchase of land and building its facilities as indicated in Section 2.8 (iv) of the Prospectus.

B9. Group Borrowing and Debts Securities

The Group's borrowings and debts securities as at 31 December 2010 are as follows:

	RM'000
Long term borrowings	
Secured:	
Hire purchase creditors	607
Term loans	5,188
	5,795
Short term borrowings	
Secured	
Hire purchase creditors	1,369
Bankers acceptance	4,184
Term loans	1,576
Leasing creditors	28
	7,157
Total	12,952

B10. Off Balance Sheet Financial Instruments

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

B11. Breakdown of realised and unrealised profits or losses of the Group

	RM'000
Reliased Profits	15,294
Unrealised gain	342
Unrealised losses	(7,872)
Total retained profits	7,764

B12. Material Litigation

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

NOTES TO THE REPORT

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

B13. Dividends

No interim dividend has been declared during the current quarter.

B14. Earnings Per Share

Basic earnings per share are calculated based on weighted average number of 117,200,000 ordinary shares in issue and profit attributable to equity holder of the Group. There is no dilutive effect.