

# **SIG**

## **SIG GASES BERHAD**

**( Company No.: 875083 - W)**

**(Incorporated in Malaysia)**

**Financial Report  
For The Year Ended  
31 December 2011**

**Unaudited Condensed Consolidated Statement of Comprehensive Income  
For the year ended 31 December 2011**

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>Current Year Quarter 31 Dec 2011</u> <u>RM'000</u>	<u>Preceding Year Quarter 31 Dec 2010</u> <u>RM'000</u>	<u>Current Year To Date 31 Dec 2011</u> <u>RM'000</u>	<u>Preceding Year To Date 31 Dec 2010</u> <u>RM'000</u>
<b>Revenue</b>	14,539	13,749	54,361	55,261
Cost of sales	(10,374)	(9,169)	(38,768)	(36,398)
<b>Gross profit</b>	<u>4,165</u>	<u>4,580</u>	<u>15,593</u>	<u>18,863</u>
Other income	235	121	910	848
Selling and administrative expenses	(3,317)	(2,344)	(12,080)	(10,515)
Finance costs	(245)	(251)	(910)	(1,256)
<b>Profit before tax</b>	<u>838</u>	<u>2,106</u>	<u>3,513</u>	<u>7,940</u>
Income tax expense	(777)	(624)	(1,078)	(1,935)
<b>(Loss)/Profit after tax and total comprehensive income for the period</b>	<u><u>61</u></u>	<u><u>1,482</u></u>	<u><u>2,435</u></u>	<u><u>6,005</u></u>
<b>Total comprehensive income attributable to :</b>				
Equity holders of the company	61	1,482	2,435	6,005
Minority interest	-	-	-	-
	<u><u>61</u></u>	<u><u>1,482</u></u>	<u><u>2,435</u></u>	<u><u>6,005</u></u>
<b>Earning per share (Sen)</b>				
- Basic	0.04	1.26	1.62	5.12
- Diluted	0.04	1.26	1.62	5.12

**Notes**

- The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.



SIG Gases Berhad  
(Company No:875083-W)

**Unaudited Condensed Consolidated Statements of Financial Position  
As at 31 December 2011**

	<b>Unaudited As at 31 Dec 2011 RM'000</b>	<b>Audited As at 31 Dec 2010 RM'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	95,167	76,784
Intangible assets	188	195
	<u>95,355</u>	<u>76,979</u>
<b>Current assets</b>		
Inventories	2,734	2,487
Trade and other receivables	18,322	19,554
Cash and bank balances	11,146	15,885
	<u>32,202</u>	<u>37,926</u>
<b>TOTAL ASSETS</b>	<u><u>127,557</u></u>	<u><u>114,905</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	75,000	75,000
Reserves	9,791	9,306
Total equity	<u>84,791</u>	<u>84,306</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	9,078	7,872
Loans and borrowings	10,488	5,795
	<u>19,566</u>	<u>13,667</u>
<b>Current liabilities</b>		
Trade and other payables	12,898	9,775
Loans and borrowings	10,302	7,157
	<u>23,200</u>	<u>16,932</u>
Total liabilities	<u>42,766</u>	<u>30,599</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>127,557</u></u>	<u><u>114,905</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.57	0.56

**Notes**

1. The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**Unaudited Condensed Consolidated Statements of Changes in Equity  
As at 31 December 2011**

	Non-distributable		Distributable		Total RM'000
	Share Capital RM'000	Share Premium RM'000	Revenue Reserve RM'000	Merger Reserve RM'000	
As at 1 January 2011	75,000	6,075	3,231	-	84,306
Total comprehensive income for the year	-	-	2,435	-	2,435
Dividend			(1,950)	-	(1,950)
<b>As at 31 December 2011</b>	<b>75,000</b>	<b>6,075</b>	<b>3,716</b>	<b>-</b>	<b>84,791</b>
As at 1 January 2010	50,400	4,526	24,626	(27,399)	52,153
Total comprehensive income for the year	-	-	6,005	-	6,005
Issuance of ordinary shares	24,600	3,936	-	-	28,536
Listing expenses	-	(2,388)	-	-	(2,388)
Merger deficit offset	-	-	(27,399)	27,399	-
<b>As at 31 December 2010</b>	<b>75,000</b>	<b>6,074</b>	<b>3,232</b>	<b>-</b>	<b>84,306</b>

**Notes**

1. The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**Unaudited Condensed Consolidated Statements of Cash Flows  
For the year ended 31 December 2011**

	Year ended	
	31 Dec 2011 RM'000	31 Dec 2010 RM'000
<b>Cash flows from operating activities</b>		
Profit before taxation	3,513	7,940
Adjustments for:		
Depreciation	3,773	3,336
Gain on disposal of property, plant and equipment	(452)	(294)
Interest expenses	910	1,130
Interest income	(271)	(138)
Allowance for doubtful debts	235	337
Reversal of doubtful debts provision no longer required	(119)	(104)
Bad debts recovered	(21)	(28)
Unrealised foreign exchange gain	(66)	(4)
Written off of property, plant and equipment	10	20
Operation profit before working capital changes	<u>7,512</u>	<u>12,195</u>
Net changes in current assets	829	(1,819)
Net changes in current liabilities	3,611	(2,588)
Cash generated from operating activities	<u>11,952</u>	<u>7,788</u>
Interest paid	(910)	(1,130)
Tax paid	(233)	(409)
Net cash generated from operating activities	<u>10,809</u>	<u>6,249</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(22,596)	(10,764)
Proceed from disposal of property, plant and equipment	889	593
Interest received	271	138
Net cash used in investing activities	<u>(21,436)</u>	<u>(10,033)</u>
<b>Cash flow from financing activities</b>		
Drawdown/(Repayment) of borrowings	7,838	(7,857)
Proceed from issuance of shares	-	28,536
Payment of listing expenses	-	(2,387)
Dividend	(1,950)	-
Net cash generated from financing activities	<u>5,888</u>	<u>18,292</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(4,739)	14,508
<b>Cash and cash equivalents at beginning of financial year</b>	<u>15,885</u>	<u>1,377</u>
<b>Cash and cash equivalents at final of financial year</b>	<u>11,146</u>	<u>15,885</u>
<b>Cash and cash equivalents at the end of the financial year comprise the following:</b>		
Cash and bank balances	<u>11,146</u>	<u>15,885</u>

**Notes:**

- The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

## NOTES TO THE REPORT

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

#### A1. Basis of preparation

The interim financial statements are unaudited and have 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 statements should be read in conjunction with the audited financial statements for the year ended 31 December 2010.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the year ended 31 December 2010. 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 year ended 31 December 2010 of the Group, except for the adoption of the following new Financial Reporting Standards ("FRSs") and Amendments to FRSs ("Amendments") :

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

The adoption of the above revised FRSs and amendments to FRSs and interpretation does not have significant financial impact to the Group's consolidated financial statements.

## NOTES TO THE REPORT

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

#### (i) Malaysian Financial Reporting Standards(MFRS)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer.

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2012. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 December 2011 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2012.

## **NOTES TO THE REPORT**

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

#### **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 2010.

#### **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 period ended 31 December 2011.

#### **A6. Material changes in estimates**

There were no changes in estimates that have had a material effect in the current quarter results.

#### **A7. Changes in debt and equity securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial period-to-date.

#### **A8. Dividend paid**

At the Annual General Meeting, a final tax exempt (single-tier) dividend in respect of the financial year ended 31 December 2010, of 2.6% on 150,000,000 ordinary shares, amounting to a dividend payable of RM1,950,000 (1.30 sen per ordinary share) was approved by the shareholders on 19 May 2011 and paid on 15 June 2011.



## NOTES TO THE REPORT

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

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

- (1) Manufacturing
- (2) Refilling and Distribution
- (3) Other Products and Services

#### Current Year to date

	Manufacturing	Refilling and Distribution	Other Products and Services	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>	27,778	25,061	1,522	54,361
<b>RESULTS</b>				
Profit for reportable segment	8,350	7,059	184	15,593
Other income				910
Selling and administrative expenses				(12,080)
Finance costs				(910)
Profit before tax				3,513
Income tax expense				(1,078)
<b>Total comprehensive income</b>				<u>2,435</u>

#### Preceding Year

	Manufacturing	Refilling and Distribution	Other Products and Services	Total
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>	27,572	26,025	1,664	55,261
<b>RESULTS</b>				
Profit for reportable segment	10,307	8,391	165	18,863
Other income				848
Selling and administrative expenses				(10,515)
Finance costs				(1,256)
Profit before tax				7,940
Income tax expense				(1,935)
<b>Total comprehensive income</b>				<u>6,005</u>

## 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 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 2011 are as follows:-

	<b>RM'000</b>
Approved and contracted for	<u>4,976</u>

#### A12. Property, plant and equipment

The Group acquired property, plant and equipment amounting to RM22.60 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 16 February 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 composition of the group to the end of the current financial quarter that have not been reflected in this quarterly report as at the date of this report.

#### 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.

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

**A16. Statement of comprehensive income**

	<b>Current Year Quarter RM'000</b>	<b>Current Year To Date RM'000</b>
(a) Interest income	58	271
(b) Other income including investment income	129	558
(c) Interest expense	246	910
(d) Depreciation and Amortisation	999	3,773
(e) Provision for and write off of receivables	235	235
(f) Provision for and write off of inventories	N/A	N/A
(g) (Gain)/loss on disposal of quoted and unquoted investments or properties	N/A	N/A
(h) Impairment of assets	N/A	N/A
(i) Foreign exchange (gain)/loss	(48)	(81)
(j) (Gain)/loss on derivatives	N/A	N/A
(k) Exceptional items	N/A	N/A

**A17. 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	Amount owing (to)/from related party 31 Dec 2011 RM'000
Purchase of refrigerants, cylinders, valves, liquid oxygen, liquid nitrogen, liquid argon, liquid carbon dioxide, specialty gases and overdue interest from companies in which the Company's director, Peh Lam Hoh has substantial financial interest	3,053	13,894	(3,017)
Sales of industrial gases and equipment to companies in which the Company's director, Peh Lam Hoh has substantial financial interest	65	166	49
Purchase of valves and spare parts from a company in which a subsidiary company's director, Kong Khim Tuck has an interest but not substantial.	6	19	(6)

## 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**

##### **Current year Quarter ended 31 December 2011 vs. Preceding year Quarter ended 31 December 2010**

The revenue of the Group for the Fourth Quarter was RM14.54M. The revenue has increased by RM0.79M or 5.75% as compared to Corresponding Quarter. The increase is mainly due to increase in revenue from manufacturing of industrial gases and refilling and distribution of industrial gases by RM0.75M or 11.08% and RM0.13M or 2.41% respectively. The increased in revenue came from Acetylene gas, Liquid Oxygen and Liquid Nitrogen which increased by 17%, 36% and 79% respectively. The increase in revenue is mainly due to gradual resumption of industrial activities within the region which was adversely affected by the flood in Thailand.

The Gross profit of the Group for the Fourth Quarter was RM4.17M. The Gross profit has decreased by RM0.42M or 9.1% as compared to that of the preceding year's Quarter. The Gross profit decreased mainly due to increased in cost of calcium carbide by 27% and increase in electricity cost by 8%.

The Group's Profit After Tax was RM0.06M for the Fourth Quarter which is RM1.42M or 95.88% lower as compared to the corresponding quarter in year 2010. The decrease is mainly due to the decrease in Gross Profit contribution as the competition in the industry gets keener and increase in Selling & Administration expenses by RM0.97M mainly due to additional doubtful debt provision of RM0.23M as compared with write back of doubtful debt provision of RM0.27M in the Preceding Year Quarter and the increase in provision for deferred tax liabilities by RM0.31M for the current quarter.

##### **Current year to date 31 December 2011 vs. Preceding year to 31 December 2010**

The revenue of the Group for the year ended 31 December 2011 was RM54.36M. The revenue has decreased by RM0.90M or 1.63% as compared to the same period in year 2010. The decrease in revenue was mainly due to decrease in refilling and distribution of industrial gases, and cylinder and delivery services by RM0.34M or 1.61% and RM0.63M or 12.45% respectively. The decrease in revenue was mainly due to general slowdown in the industry activities due to the breakdown of the supply chain after the flood in Thailand.

The Gross Profit of the Group for the year ended 31 December 2011 was RM15.59M. The Gross Profit has decreased by RM3.27M or 17.33% as compared to the same period in year 2010. The decrease in Gross Profit is mainly due to decrease in Gross Profit of manufacturing of industrial gases and refilling and distribution of industrial gases by RM1.96M or 18.99% and RM1.33M or 15.87% respectively. The decrease in Gross Profit was mainly due to increase in the cost of calcium carbide by 17% and increase in electricity cost by 20%.

The Group's Profit After Tax was RM2.44M for the current year which is RM3.57M or 59.45% lower as compared to the corresponding period in year 2010. The decrease is mainly due to the decrease in Gross Profit contribution and increase in selling and administrative expenses by RM1.55M mainly due to increase in depreciation, diesel and payroll cost by RM0.13M, RM0.17M and RM0.44M respectively.

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

The revenue of the Group was RM14.54M for the Fourth Quarter an increase of RM0.81 Million over RM13.73M in the previous quarter. The increase came from manufacturing of industrial gases and refilling and distribution of industrial gases by RM0.46M or 6.61% and RM0.35M or 6.51% respectively. The increase in revenue mainly due to increase in demand of Acetylene Gas by 18%, Liquid Oxygen by 14% and Liquid Nitrogen by 91%.

The Gross Profit of the Group was reported at RM4.17M for the current quarter. The Gross Profit has increased from RM3.57M in the previous quarter to RM4.17M in the current quarter due to increase in Gross Profit from manufacturing of industrial gases by RM0.59M or 28.59%. The increase in Gross profit mainly due to decrease in electricity cost by 6% caused by increased in production output as compared to the previous quarter.

The Profit After Tax of the Group was RM0.06M for the current quarter. The decrease in Profit After Tax from RM0.55M in the previous quarter to the current quarter is due to the factors described above and increase in Selling and Administrative expenses by RM0.38M mainly due to doubtful debt provision of RM0.23M in Fourth Quarter. The deferred tax provision of RM1.01M, also taken into account in Fourth Quarter.

The higher tax charge for the quarter was due to reversal of deferred tax assets recognised. In the previous quarters, provision for deferred tax assets was made based on the planned completion of the hydrogen plant project in December 2011. However, due to some technical issues, the plant will only be operational in the first quarter of 2012.

**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**

CIMB Research expects Malaysia's GDP growth to run at a slower pace of 3.8% in 2012 from an estimated 5.0% in 2011. The Directors of the Company are of the opinion that the Company will achieve a reasonable profit in year 2012.

**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**

	<b>Current Quarter 3 months ended 31-Dec-11 RM'000</b>	<b>Current financial year to date 31-Dec-11 RM'000</b>
In respect of the current period		
- Income tax	228	128
- Deferred tax	(1,005)	(1,206)
	<u>(777)</u>	<u>(1,078)</u>

NOTES TO THE REPORT

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

**B6. Status of Corporate Proposals**

The Public Issue of 49.2 million and Offer For Sales of 3 million ordinary shares of RM0.50 each in the Company at an issue price of RM0.58 had all been fully subscribed and the entire share capital of the Company of 150 million ordinary shares were listed on the Main Board of Bursa Malaysia Securities Berhad on 9 August 2010. The Company raised RM28.54 million from the public issue and the utilization of proceeds as at 09 February 2012 (the latest practicable date not earlier than seven (7) days from the date of issue of this report) is as follows:

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)	%
<b>1</b>	<b>Purchase of land and building its facilities</b>	24 months						
1.1	Sarawak - Samalaju Industrial Park		9,736	-	(2,500)	667	7,903	100%
1.2	Sarawak - Kemena Industrial Park, Bintulu		-	(2,500)	2,500		-	0%
1.3	Kuantan		2,500	(1,002)			1,498	60%
1.4	Melaka		2,500	(911)			1,589	64%
			14,736	(4,413)	-	667	10,990	71%
<b>2</b>	<b>Purchase of property, plant &amp; equipment</b>	12 months						
2.1	Cylinders		5,400	(5,400)			-	0%
2.2	Hydrogen long tube		1,000	(1,000)			-	0%
			6,400	(6,400)	-	-	-	0%
<b>3</b>	<b>Repayment of term loan</b>	12 months	4,200	(4,200)			-	0%
<b>4</b>	<b>Listing expenses (Note 1)</b>	Immediately	3,200	(2,533)		(667)	-	0%
	<b>Total</b>		28,536	(17,546)	-	-	10,990	39%

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 utilized in the purchase of land and building its facilities as indicated in Section 2.8 (iv) of the Prospectus.

## NOTES TO THE REPORT

### PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA

#### B7. Group Borrowing and Debts Securities

The Group's borrowings and debts securities as at 31 December 2011 are as follows:

	RM'000
<b>Long term borrowings</b>	
<u>Secured:</u>	
Hire purchase creditors	1,078
Term loans	9,410
	<u>10,488</u>
<b>Short term borrowings</b>	
<u>Secured</u>	
Hire purchase creditors	1,003
Bankers acceptance	6,199
Term loans	3,065
Leasing creditors	35
	<u>10,302</u>
Total	<u><u>20,790</u></u>

#### B8. Breakdown of realised and unrealised profits or losses of the Group

	At end of current quarter 31-Dec-11 RM'000	At end of preceding quarter 30-Sep-11 RM'000
Realised Profits	12,728	11,695
Unrealised losses	(9,012)	(8,040)
Total retained profits	<u>3,716</u>	<u>3,655</u>
Less: Consolidations adjustments	-	-
Retained profits as per statement of financial position	<u><u>3,716</u></u>	<u><u>3,655</u></u>

#### B9. 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**

#### **B10. Dividends**

No interim dividend has been declared during the current quarter.

#### **B11. Earnings Per Share**

Basic earnings per share are calculated based on total number of 150,000,000 ordinary shares in issue and profit attributable to equity holders of the Group. There is no dilutive effect.

#### **B12. Authorised for issued**

The interim financial statements were authorised for issued by the Board of Directors in accordance with the resolution of Directors on 23 February 2012.