

GEFUNG HOLDINGS BHD (654188-H)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Quarter Ended 30 September 2006

(The figures have not been audited)

	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
	30-Sep-06 RM'000	30-Sep-05 RM'000	30-Sep-06 RM'000	30-Sep-05 RM'000
Revenue	2,308	NA	2,308	NA
Other Operating Income	-	NA	-	NA
Operating Expenses	<u>(2,015)</u>	<u>NA</u>	<u>(2,103)</u>	<u>NA</u>
Operating Profit	293	NA	205	NA
Finance Cost	<u>(43)</u>	<u>NA</u>	<u>(43)</u>	<u>NA</u>
Profit Before Tax	250	NA	162	NA
Taxation	(59)	NA	(59)	NA
Net profit for the period	<u>191</u>	<u>NA</u>	<u>103</u>	<u>NA</u>
Earnings per share				
- Basic (sen)	0.07	NA	0.04	NA
- Diluted (sen)	NA	NA	N/A	NA

Note:

- a) Gefung Holdings Bhd ("the Company") completed its acquisitions of operating subsidiaries on 19 September 2006 and accordingly, the Group's quarterly report for the quarter ended 30 September 2006 covers the period from 19 September 2006 to 30 September 2006.
- b) The above net profit does not include pre-acquisition net profit amounting to RM11.4 million, which if added would imply that on a proforma basis, the Gefung Group's net profit for the 9-month period ended 30 September 2006 is RM12.1million.
- c) Comparative figures for the corresponding quarter and year are not available as this is Gefung Holdings Berhad's first quarterly report to Bursa Malaysia Securities Berhad.

(The accompanying notes form an integral part of, and should be read in conjunction with this interim financial report)

GEFUNG HOLDINGS BHD (654188-H)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET

As of 30 September 2006

(The figures have not been audited)

	30-Sep-06	31-Dec-05
	RM'000	RM'000
	(Unaudited)	(Audited)
Non Current Assets		
Goodwill	70,699	-
Prepaid Lease Payment	5,739	-
Property, plant and equipment	9,244	-
	<u>85,682</u>	<u>-</u>
Current Assets		
Inventories	50,970	-
Amount due from customer	4	-
Trade receivables	23,677	-
Other receivables, deposits and prepayments	2,878	-
Deposit with a licensed bank	1,162	-
Cash and cash equivalents	253	-
	<u>78,944</u>	<u>-</u>
Total Assets	<u>164,626</u>	<u>-</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	63,000	-*
Iredeemable convertible preference shares	6,300	-
Share Premium	56,700	-
Foreign Exchange Reserve	168	-
Reserves	(1,362)	(1,465)
Total Equity	<u>124,806</u>	<u>(1,465)</u>
Non-current liabilities		
Deferred tax liabilities	231	-
Current Liabilities		
Trade payables	3,389	-
Dividend payable	4,217	-
Other payables and accrued expenses	12,725	1,465
Amount owing to directors of subsidiary companies	81	-
Bank borrowings	18,068	-
Tax liabilities	1,109	-
	<u>39,589</u>	<u>1,465</u>
Total Liabilities	<u>39,820</u>	<u>1,465</u>
Total Equity and Liabilities	<u>164,626</u>	<u>-</u>
Net assets per share (RM)	<u>1.98</u>	<u>NA</u>

* This represents RM2 comprising 2 ordinary shares of RM1.00 each.

(The accompanying notes form an integral part of, and should be read in conjunction with this interim financial report)

GEFUNG HOLDINGS BHD (654188-H)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For The Quarter Ended 30 September 2006

(The figures have not been audited)

	Current Year Quarter 30-Sep-06 RM'000	Preceding Year Corresponding Quarter 30-Sep-05 RM'000
Net Cash Used in Operating Activities	(533)	NA
Net Cash Generated From Investing Activities	913	NA
Net Cash Generated From Financing Activity	635	NA
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,015	NA
EFFECTS ON FOREIGN EXCHANGE RATE CHANGES	168	NA
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD	-	NA
CASH AND CASH EQUIVALENTS AS AT END OF PERIOD	<u>1,183</u>	<u>NA</u>

Cash and cash equivalents at the end of the financial period comprise the following:

	As at 30-Sep-06	As at 30-Sep-05
Cash and bank balances	253	NA
Fixed Deposits	1,162	NA
Bank overdrafts	<u>(232)</u>	<u>NA</u>
	<u>1,183</u>	<u>NA</u>

Note :

There are no comparative figures for the corresponding quarter of the preceding year as this is Gefung Holdings Berhad's first quarterly announcement to Bursa Malaysia Securities Bhd.

(The accompanying notes form an integral part of, and should be read in conjunction with this interim financial report)

GEFUNG HOLDINGS BHD (654188-H)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Quarter Ended 30 September 2006

(The figures have not been audited)

	Issued Capital RM'000	Irredeemable Convertible Preference Shares RM'000	Share Premium RM'000	Translation Reserve RM'000	Unappropriated Profit RM'000	Total RM'000
Balance as of 1 January 2006	-	-	-	-	(1,465)	(1,465)
Issuance of ordinary shares	63,000	-	-	-	-	63,000
Issuance of ICPS	-	6,300	56,700	-	-	63,000
Net profit during the period	-	-	-	-	103	103
Arising from acquisition of subsidiaries	-	-	-	168	-	168
Balance as of 30 September 2006	63,000	6,300	56,700	168	(1,362)	124,806

* This represents RM2 comprising 2 ordinary shares of RM1.00 each.

Note :

There are no comparative figures for the corresponding quarter of the preceding year as this is Gefung Holdings Berhad's first quarterly announcement to Bursa Malaysia Securities Berhad.

(The accompanying notes form an integral part of, and should be read in conjunction with this interim financial report)

GEFUNG HOLDINGS BERHAD

(Company No.: 654188-H)

Incorporated in Malaysia

Notes on the quarterly report - 30 September 2006

A. EXPLANATORY NOTES AS PER FRS 134-INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS 134₂₀₀₄: Interim Financial Reporting and Chapter 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad ("BMSB").

The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 31 December 2005. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the financial year ended 31 December 2005.

The significant accounting policies and methods of computation adopted by the Company and its subsidiaries ("the Group") in this interim financial report are consistent with those adopted in the annual financial report for the year ended 31 December 2005, except for the adoption of new or revised Financial Reporting Standards ("FRS") effective for financial statements commencing 1 January 2006 as follow:

FRS 3	Business Combination
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets

In addition to the above, the Group has taken the option of early adoption of FRS 117 Leases which is scheduled to be effective for financial period beginning on or after 1 October 2006.

The adoption of the above new/revised FRSs does not have significant impact to the Group.

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Notes on the quarterly report - 30 September 2006

A2. Audit report

The auditors' report on the audited financial statements for the year ended 31 December 2005 was not qualified.

A3. Seasonal or cyclical factors

The operations of the Group during the quarter have not been affected by any material seasonal or cyclical factors.

A4. Unusual items

During the quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

A5. Changes in estimates

There were no changes in the estimates of amounts reported that have a material effect on the results in the quarter under review.

A6. Issuance, cancellations, repurchases, resale and repayments of debts and equity securities

On 19 September 2006, the Company issued 6,750,000 new ordinary shares of RM1.00 each at an issue price of RM1.00 per share and 6,750,000 Irredeemable Convertible Preference Shares of RM0.10 each ("ICPS") at an issue price of RM1.00 per ICPS in settlement of the purchase consideration for the acquisition of the entire equity interest in Syarikat Bukit Granite Sdn Bhd("SBG"), a company incorporated in Malaysia.

On the same day, the Company issued 56,250,000 new ordinary shares of RM1.00 each at an issue price of RM1.00 per share and 56,250,000 ICPS at an issue price of RM1.00 per ICPS in settlement of the purchase consideration for the acquisition of the entire interest in the registered capital of Shanghai Ge Fung Marble & Granite Co. Ltd("SGMG"), a company incorporated in People's Republic of China.

Other than the above, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the quarter under review.

A7. Dividends paid

There was no dividend paid during the quarter under review.

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Notes on the quarterly report - 30 September 2006

A8. Segmental information

The Group operates predominantly in one industry and accordingly, there is only geographical segmental information to be presented.

	Revenue		Profit before tax	
	Cumulative period ended 30 September		Cumulative period ended 30 September	
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
Malaysia	880	NA	(461)	NA
China	2,126	NA	623	NA
	3006	NA	162	NA
Inter-segment elimination	(698)	NA	-	NA
	2,308	NA	162	NA

A9. Valuation of Property, Plant and Equipment

The property, plant and equipment of the Group have not been revalued for the quarter under review.

A10. Material Events Subsequent to the end of the Reporting Period

There were no material events subsequent to the end of the quarter under review that have not been reflected in the financial statements, except for those fully explained in Note B8.

A11. Changes in the composition of the Group

Save as mentioned below, there were no changes in the composition of the Group for the current quarter under review.

During the quarter under review, the Company completed its acquisition of 100% equity interest both in SBG by the issuance of 6,750,000 new ordinary shares of RM1.00 each at an issue price of RM1.00 per share and 6,750,000 Irredeemable Convertible Preference Shares of RM0.10 each ("ICPS") at an issue price of RM1.00 per ICPS, and for the acquisition of the entire interest in the registered capital of SGMG; by the issuance of 56,250,000 new ordinary shares at an issue price of RM1.00 per ordinary share and 56,250,000 ICPS at an issue price of RM1.00 per ICPS.

- i) The acquisitions had the following effects on the Group's financial results for the current quarter :

	<u>2006</u>
	RM
Revenue	2,308
Profit before tax	816
Net profit for the period	<u>758</u>

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If the acquisitions had occurred on 1 January 2006, the Group revenue and net profit for the period from 1 January 2006 to 30 September 2006 would have been RM38.8million and RM12.1million respectively.

The fair value of the assets acquired and liabilities assumed from the acquisition of the subsidiaries is as follows:

	2006
	RM'000
Property, plant and equipment	11,552
Prepaid lease payment	3,318
Inventories	50,621
Trade and other receivables	34,167
Cash and bank balances	556
Deposit with a licensed bank	1,162
Trade and other payables	(26,859)
Bank borrowing	(17,893)
Tax payables	(1,089)
Deferred tax liabilities	(234)
	<hr/>
	55,301
Goodwill on acquisition	70,699
Cost of acquisition	<hr/> <hr/>
	126,000

Purchase consideration satisfied by:

Issuance of ordinary shares	63,000
ICPS	6,300
Share Premium	<hr/>
	56,700

A12. Changes in contingent liabilities or contingent assets

There were no changes in the contingent liabilities or contingent assets of the Group during the quarter under review.

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Notes on the quarterly report - 30 September 2006

B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of Performance

The Company completed its acquisitions of operating subsidiaries on 19 September 2006 and accordingly, the Group's first quarterly report for the quarter ended 30 September 2006 only comprise results for the period from 19 September 2006 to 30 September 2006.

The Group's proforma net profit for the 9-month period ended 30 September 2006, assuming the Company completed its acquisitions of operating subsidiaries on 1 January 2006, was approximately RM12.1million. The performance during the quarter is a reflection of the increasing operational activities especially from SGMG, in line with the increase in construction activities in second half of the year.

B2. Variation of results against preceding quarter

There is no comparative figure for preceding quarter as this is the Group's first quarterly announcement to Bursa Securities.

B3. Current year prospects

The Company will continue to focus on its core activities and barring any unforeseen circumstances, the Directors are optimistic of achieving its targeted results for the financial year ending 31 December 2006.

B4. Profit forecast

The Company had entered into a profit guarantee agreement with the vendors of SBG and SGMG whereby the vendors had guaranteed that the amalgamated Pre tax Profit for SBG and SGMG shall not be less than the following amount for each financial year below:

Financial Year Ending	Profit Guarantee (RM'000)
2006	21,643
2007	28,084
2008	28,330

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B5. Income Tax Expense

Income tax expense comprises the following:

	Individual quarter ended		Cumulative quarter ended	
	30 September 2006 RM'000	30 September 2005 RM'000	30 September 2006 RM'000	30 September 2005 RM'000
In respect of the current period				
Income tax	56	NA	56	NA
Deferred tax	3	NA	3	NA
	<u>59</u>	<u>NA</u>	<u>59</u>	<u>NA</u>

The lower effective tax rate for the current quarter ended 30 September 2006 was due mainly to taxable income generated by SGMG, which is operating in China, is 50% tax exempted.

B6. Sale of unquoted investments and/or properties

There was no disposal of unquoted investments or properties during the quarter under review.

B7. Quoted and marketable securities

There was no purchase or disposal of quoted and marketable securities during the quarter under review.

B8. Corporate proposals

On 22 November 2006, the Company was listed and quoted on the Second Board of Bursa Malaysia Securities Berhad after the completion of the Restructuring Scheme of Jin Lin Wood Industries Bhd.

The gross proceeds raised from the Placement Issue of RM 5 million is to be utilised in the following manner:

Purpose	Proposed Utilisation RM'000
Estimated listing expenses	2,000
Working capital	3,000
	<u>5,000</u>

As at to date, approximately RM2.2million has been utilised for working capital purposes.

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Notes on the quarterly report - 30 September 2006

B9. Borrowings

	Denominated in local currency as at 30.9.2006 RM'000	Denominated in foreign currency as at 30.9.2006 RM'000	Total as at 30.9.2006 RM'000
Short term			-
Bank overdraft	232	-	232
Term loan	-	7,460	7,460
Bankers Acceptance	3,876	-	3,876
Trust Receipts	5,834	-	5,834
Letter of credit	666	-	666

Borrowings denominated in foreign currency:

	Renminbi	Ringgit
Chinese Renminbi	<u>16,000,000</u>	<u>7,460,800</u>

B10. Off balance sheet financial instruments

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

B11. Material litigation

As at the date of this report, the Group are not engaged in any material litigation which in the opinion of the Board of Directors will have a material effect on the financial position or the business of the Group.

B12. Dividends

There was no dividend declared during the quarter under review.

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Notes on the quarterly report - 30 September 2006

B13. Earnings per share ("EPS")

	Individual quarter ended		Cumulative period ended	
	30 September 2006	30 September 2005	30 September 2006	30 September 2005
Basic earnings per share				
Net profit for the period (RM'000)	191	NA	103	NA
Weighted average number shares in issue ('000)	2,538	NA	2,538	NA
Basic earnings per share (sen)	<u>0.07</u>	<u>NA</u>	<u>0.04</u>	<u>NA</u>
Diluted Earning per share (sen)	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>