



SATANG

SATANG HOLDINGS BERHAD (Company No : 633265 K)

Quarterly Unaudited Results Of The Group For The Financial Period Ended 31st March 2009

Part A : Explanatory Notes In Compliance With The Financial Reporting Standard (“FRS”) 134 : Interim Financial Reporting.**A1. Significant Accounting Policies**

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (“FRS”) 134 Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2008.

The following notes explain the events and transactions that are significant to an understanding of the changes in the financial position and performance of Satang Holdings Berhad (SHB) and its subsidiary companies (hereinafter referred to as the “Group”) during the financial quarter under review.

The significant accounting policies adopted in the interim financial report are consistent with those adopted by the Group in the audited financial statements for the financial year ended 30 September 2008.

As at 31 March 2009, the following new FRSs were in issue but not yet effective and have not been applied to the Group:

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 139	Financial Instruments: Recognition and Measurement

The adoption of the above new FRSs does not have significant financial impact on the Group for the current quarter under review.

A2. Audit Report

There was no audit qualification in the audited report of the Company and its subsidiary companies preceding interim financial statements for the financial year ended 30th September 2008.

A3. Seasonal or cyclical factors

The principal business operations of the Group are not materially affected by seasonal or cyclical factors during the financial quarter under review.

**A4. Items of unusual nature and amount**

There is no item affecting the assets, liabilities, equity, net income or cash flows of the Group that is unusual because of its nature, size or incidence,

A5. Material changes in estimates

There is no material change in estimates of amounts reported that will have a material effect in the financial quarter under review.

A6. Issuance or Repayment of Debt or Equity Securities

There is no issuance or repayment of debt or equity securities, share buybacks, share cancellations, shares held as treasury shares or resale of treasury shares in the financial quarter under review.

A7. Dividend Paid

No interim dividend has been paid or declared during the current quarter and the financial period under review.

A8. Segmental Analysis

The segmental analysis of the Group's revenue and results for the current financial period is set out below:

	Overhaul RM'000	Trading RM'000	Construction RM'000	Total RM'000
Revenue				-
Sales	10,443	20,733	18	31,194
Less : Inter-segment sales	(53)	(10,394)	-	(10,448)
	10,390	10,339	18	20,747

No geographical analysis has been prepared as the Group operates wholly in Malaysia.



SATANG

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Quarterly Unaudited Results Of The Group For The Financial Period Ended 31st March 2009

A9. Valuation of property, plant and equipment

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual financial statements.

The Group did not carry out any valuation on its property, plant and equipment during the financial quarter under review.

A10. Significant Events During The Financial Quarter

There were no significant events during the financial quarter under review.

A11. Significant Events Subsequent To The Financial Quarter

Except as described below, there were no significant events subsequent the financial quarter under review.

- (a) On 27 March 2009, The Company has announced that the shareholders of Satang have at its Fifth Annual General Meeting ("AGM") held on 27 March 2009 passed all the resolutions as set out in the Notice of AGM dated 5 March 2009.
- (b) On 23 April 2009, the Company has announced that Bursa Malaysia Securities Berhad had via its letter dated 23 April 2009 granted the Company an extension of time until 6 July 2009 to submit its regularisation plans to the Securities Commission and other relevant authorities for approval.

A12. Changes in the Composition of the Group

There have been no significant changes in the composition of the Group during the financial quarter under review.



SATANG

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Quarterly Unaudited Results Of The Group For The Financial Period Ended 31st March 2009

A13. Contingent Liabilities or Assets

Except as disclosed below, there were no material contingent liabilities or assets during the financial quarter under review,

	Year to Date 31-Mar-09 RM '000	Year to Date 31-Mar-08 RM '000
Banker's guarantees in favour of the local authorities for the purpose of development projects		
- Secured	244,329	244,329
- Unsecured	6,741,683	3,444,785

A14. Capital Commitments

There were no material commitments during the financial quarter under review.

A15. Significant related party transactions

The transactions with related parties are of expenditure in nature, which are required for the Group's day-to-day operations. The Directors and the major Shareholders of the Group have provided undertakings that all the business transactions between the Group, the Directors and major Shareholders and persons connected to them and the key management of the SHB, shall be based on the arms length basis and on commercial terms and shall not be disadvantageous to the Group.

There were no significant related party transactions occurred during the financial quarter and financial period ended 31 March 2009.



SATANG

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Quarterly Unaudited Results Of The Group For The Financial Period Ended 31st March 2009

Part B : Explanatory Notes Pursuant to Appendix 9B Of The Listing Requirements Of The Bursa Malaysia Securities Berhad.**B1. Review of Performance**

For the six months ended 31 March 2009, the revenue dropped by RM5.036 million or 20% from RM25,783 million to RM20,747 million as compared to the same corresponding financial period last year.

The Group registered a profit before tax of RM4.875 million for the financial period against RM0.060 million recorded the same period last financial year, an improvement of 8,025% or RM4,815 million.

The improved result was mainly attributable to better gross margin and cost rationalisation exercise undertaken in November 2008.

B2. Review of Current Quarter Profitability Against Preceding Quarter

The Group revenue for the financial quarter under review decreased by RM3.596 million or 24% from RM14.808 million to RM11.212 million as compared to the same corresponding financial quarter last year

While the Group recorded a profit before taxation of RM2.162 million as compared to loss before tax of RM2.440 million in financial quarter last year.

B3. Commentary on Prospects for the Next Financial Year

The Satang Group had triggered the PN17 criteria and was classified under PN17 category in the last financial year.

We are striving to be back on the right track with the continuous support of our major customer, MINDEF and the on going restructuring exercise that had significantly reduced the Group's overhead and improves our earnings and the financial position.

B4. Variance of Actual and Profit Forecast

The Group has not provided any quarterly profit forecast for the current financial year and therefore no variance information is available for presentation.



SATANG

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Quarterly Unaudited Results Of The Group For The Financial Period Ended 31st March 2009

B5. Taxation

Individual Quarter		Cumulative Quarter	
Current Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
31-Mar-09 RM '000	31-Mar-08 RM '000	31-Mar-09 RM '000	31-Mar08 RM '000

Current taxation	1,197	346	1,501	681
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B6. Purchase / Disposal of Unquoted Investments and / or Properties

There is no disposal of unquoted investments or properties held as fixed assets for the financial quarter under review.

B7. Purchase / Disposal of Quoted Securities

The Group does not hold any quoted security nor was there any purchase or disposal of quoted security in the financial quarter under review.

B8. Corporate Proposals

There were no corporate proposals as at the date of this announcement.

**B9. Group Borrowings and Debt Securities**

Group borrowings, all of which are Ringgit Malaysia (RM) denominated, as at 31st March 2009 were as follows,

B.9.1 Short Term Borrowings

<u>Secured</u>	31-Mar-09 RM '000	31-Mar-08 RM '000
Hire Purchase Payable	312	354
Bills Payable	10,266	19,373
Term loan	2,727	34
Overdraft	2,393*	15,047
Total	15,698	35,172

* The above bank overdrafts facilities have been cancelled.

B.9.2 Long Term Borrowings

<u>Secured</u>	31-Mar-09 RM '000	31-Mar-08 RM '000
Hire Purchase Payable	699	1,370
Term Loan	3,410	3,929
Total	4,109	5,299

B10. Off Balance Sheet Financial Instruments

There is no financial instrument with off balance sheet risk as at the date of this quarterly financial report.

B11. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this quarterly financial report.



SATANG

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Quarterly Unaudited Results Of The Group For The Financial Period Ended 31st March 2009

B12. Dividends

The Board has not recommended any dividend for the financial quarter under review.

B13. Earnings Per Share

The basic earnings per share for the quarter and year to - date are computed as follows,

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31-Mar-09 RM'000	Preceding Year Corresponding Quarter 31-Mar-08 RM'000	Current Year To Date 31-Mar-09 RM'000	Preceding Year Corresponding Period 31-Mar-08 RM'000
Net profit/(loss) for the quarter (RM'000)	965	(2,786)	1,831	(2,254)
Weighted average number of ordinary shares ('000) in issue	80,000	80,000	80,000	80,000
Basic earnings per share (sen)	1.21	(3.48)	2.29	(2.82)

**The Group has no potential ordinary shares in issue, therefore diluted earnings per share has not been presented.*

BY ORDER OF THE BOARD

**DATO' JAMALUDDIN BIN HASSAN, Col (Honorary) RMAF
President / Executive Chairman**

Date : 27 May 2009