



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 30 June 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 annual financial statements for the financial year ended 30 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:

	Maintenance, Repair and Overhaul RM'000	Trading RM'000	Construction RM'000	Total RM'000
Revenue				
Sales	14 577	30 475	18	45 070
Less : Inter-segment sales	(53)	(11 814)	-	(11 867)
	<u>14 524</u>	<u>18 661</u>	<u>18</u>	<u>33 203</u>

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



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.

On 15 April 2009, the Ministry of Defence Malaysia (“MINDEF”) has via its letter of award dated 14 April 2009, increased the contract's ceiling limit from a contract value of RM3,900,000 to RM6,067,458.55 for Satang Jaya Sdn Bhd, the wholly-owned subsidiary of the Company in respect of the services of life raft and life jacket for Royal Malaysian Navy. Other terms and conditions of the earlier contract remained unchanged.

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.



A13. Contingent Liabilities or Assets

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

Banker's guarantees in favour of the local authorities for the purpose of development projects

- Secured
- Unsecured

Year to Date 30-Jun-09 RM '000	Year to Date 30-Jun-08 RM '000
214	214
6,938	3,538

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.

There were no significant related party transactions occurred during the financial quarter and financial period ended 30 June 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 nine months ended 30 June 2009, the revenue slightly dropped by RM0.49 million or 1% from RM33.69 million to RM33.20 million as compared to the same corresponding financial period last year.

The Group registered profit before tax of RM3.51 million for the financial period against losses of RM10.82 million recorded the same period last financial year, an improvement of RM14.33 million.

The major losses in preceding year corresponding period were contributed to provision for doubtful debts and amount written off for uncollectible long outstanding dues.

B2. Review of Current Quarter Profitability against Preceding Quarter

The Group revenue for the financial quarter under review increased by RM4.55 million or 57% from RM7.91 million to RM12.46 million as compared to the same corresponding financial quarter last year

The significant increase in sales was contributed by the completion of job for G2R contract in this quarter.

The Group recorded a profit before taxation of RM0.18 million as compared to loss before tax of RM9.24 million in financial quarter last year.

B3. Commentary on Prospects for the Next Financial Year

The Board is optimistic of the Group's prospects for the next financial year. Satang Jaya Sdn Bhd and Satang Dagangan Sdn Bhd will be the major profit contributors for the Group's income for the current and next financial year given the diversity of it products & services and the geographical spread of the Group's facilities.



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.

B5. Taxation

Individual Quarter		Cumulative Quarter	
Current Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
30-Jun-09 RM '000	30-Jun-08 RM '000	30-Jun-09 RM '000	30-Jun-08 RM '000

Current taxation	(885)	(2,008)	616	(1,327)
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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 30 June 2009 were as follows,

B.9.1 Short Term Borrowings

<u>Secured</u>	30-Jun-09 RM '000	30-Jun-08 RM '000
Hire Purchase Payable	316	381
Bills Payable	5,295	18,891
Term loan	2,053	129
*Overdraft	2,102	14,742
Total	9,766	35,172

* The above bank overdrafts facilities have been cancelled.

B.9.2 Long Term Borrowings

<u>Secured</u>	30-Jun-09 RM '000	30-Jun-08 RM '000
Hire Purchase Payable	618	1,274
Term Loan	3,410	3,819
Total	4,028	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.



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 30-Jun-09 RM'000	Preceding Year Corresponding Quarter 30-Jun-08 RM'000	Current Year To Date 30-Jun-09 RM'000	Preceding Year Corresponding Period 30-Jun-08 RM'000
Net profit/(loss) for the quarter (RM'000)	1,066	(7,137)	2,897	(9,440)
Weighted average number of ordinary shares ('000) in issue	80,000	80,000	80,000	80,000
Basic earnings/(loss) per share (sen)	1.33	(8.92)	3.62	(11.80)

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

BY ORDER OF THE BOARD

MALIM BIN MOHAMED
President

Date : 25 August 2009