



Continuous Innovation & Quality

Hovid Bhd (Company no: 58476 A)

Condensed Consolidated Income Statement (unaudited)

For the Second Quarter Ended 31 December 2011

	3 months ended		Year-to-date ended	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Revenue (Note A9)	40,503	39,211	77,578	81,627
Other operating income/(expense)	8,237	937	10,781	6,754
Operating expenses	(31,678)	(31,237)	(61,080)	(76,962)
Profit from operations	17,062	8,911	27,279	11,419
Depreciation & amortisation	(1,370)	(1,402)	(2,727)	(5,683)
Finance income	467	-	923	-
Finance costs	(743)	(371)	(1,535)	(3,818)
Share of loss of associate, net of tax	(2,833)	(4,202)	(9,106)	(3,134)
Profit/(Loss) before taxation	12,583	2,936	14,834	(1,216)
Taxation	(1,543)	(1,608)	(2,983)	(2,619)
Profit/(Loss) for the period	11,040	1,328	11,851	(3,835)
Attributable to:				
Owners of the Company	10,756	1,469	11,260	(3,942)
Non-controlling interests	284	(141)	591	107
Profit/(Loss) for the period	11,040	1,328	11,851	(3,835)
Earning/(Loss) per share attributable to owners of the Company (sen) (Note B10)				
- Basic at nominal value of RM0.10 per share	1.4	0.2	1.5	(0.5)
- Diluted at nominal value of RM0.10 per share	0.9	0.1	1.0	(0.3)

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.



Continuous Innovation & Quality

Hovid Bhd (Company no: 58476 A)

Condensed Consolidated Statement of Comprehensive Income (unaudited)

For the Second Quarter Ended 31 December 2011

	3 months ended		Year-to-date ended	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Profit/(Loss) for the period	11,040	1,328	11,851	(3,835)
Other comprehensive income/(expense):-				
Foreign currency translation differences for foreign operations	(834)	-	(1,211)	(281)
Share of other comprehensive expense of associate	-	-	(32)	-
Revaluation surplus realised on disposal of a subsidiary	-	-	-	44
Foreign exchange reserve transferred to profit and loss account	599	-	599	-
Fair value loss for available-for-sale investment	(802)	-	(802)	-
Realisation of other comprehensive income on disposal of associate	32	-	32	-
	(1,005)	-	(1,414)	(237)
Total comprehensive income/(expense) for the period	10,035	1,328	10,437	(4,072)
Attributable to:				
Owners of the Company	10,159	1,469	10,458	(4,033)
Non-controlling interests	(124)	(141)	(21)	(39)
Total comprehensive income/(expense) for the period	10,035	1,328	10,437	(4,072)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.



Continuous Innovation & Quality

Hovid Bhd (Company no: 58476 A)

Condensed Consolidated Statement of Financial Position (Unaudited)

For the Second Quarter Ended 31 December 2011

	As at 31.12.2011 (Unaudited) RM'000	As at 30.06.2011 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	89,254	91,618
Intangible assets	25,953	24,160
Investment property	850	850
Investment in associate	-	14,033
Available-for-sale investment	5,610	-
Deferred tax assets	130	125
	121,797	130,786
Current Assets		
Inventories	27,687	23,688
Trade receivables	30,626	30,744
Other receivables, deposits and prepayments	8,152	6,495
Amount owing by associate	-	516
Cash and bank balances	17,750	8,769
	84,215	70,212
Total Assets	206,012	200,998
EQUITY		
Equity Attributable to Shareholders of the Company		
Share capital	76,208	76,208
Share premium	90	90
Revaluation and other reserves	10,870	11,672
Retained earnings	15,037	12,350
	102,205	100,320
Non-controlling interests	5,159	5,180
Total Equity	107,364	105,500
LIABILITIES		
Non-Current Liabilities		
Deferred tax liabilities	11,108	11,346
Term loans	7,238	8,912
Hire purchase creditors	990	1,664
Provision for retirement benefit	1,292	1,199
Long-term advances	5,643	6,348
	26,271	29,469
Current Liabilities		
Trade payables	15,733	12,974
Other payables and accruals	16,287	12,288
Term loans	2,969	3,363
Short term borrowings	24,876	27,395
Bank overdrafts	7,342	6,096
Hire purchase creditors	1,899	2,173
Tax payable	3,271	1,740
	72,377	66,029
Total Liabilities	98,648	95,498
Total Equity And Liabilities	206,012	200,998
Net Assets Per Share Attributable To Owners Of The Company (Sen)	13.41	13.16

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.



Continuous Innovation & Quality

Hovid Bhd (Company no: 58476 A)

Condensed Consolidated Statements of Changes in Equity (unaudited)

For the Second Quarter Ended 31 December 2011

	Attributable to Equity Holders of the Company				Total	Non-controlling Interests	Total Equity
	Non-distributable			Distributable			
	Share capital RM'000	Share premium RM'000	Reserves RM'000	Retained earnings RM'000			
PERIOD ENDED 31 DECEMBER 2011							
At 1 July 2011	76,208	90	11,672	12,350	100,320	5,180	105,500
Total comprehensive income/ (expense) for the period	-	-	(802)	11,260	10,458	(21)	10,437
Transactions with owners Dividend-in-specie distributed	-	-	-	(8,573)	(8,573)	-	(8,573)
At 31 December 2011	76,208	90	10,870	15,037	102,205	5,159	107,364
PERIOD ENDED 31 DECEMBER 2010							
At 1 July 2010	76,208	90	23,788	6,313	106,399	27,449	133,848
Total comprehensive income/ (expense) for the period	-	-	(1,885)	(2,148)	(4,033)	(39)	(4,072)
Derecognition of non-controlling interests in a subsidiary disposed	-	-	-	-	-	(18,961)	(18,961)
At 31 December 2010	76,208	90	21,903	4,165	102,366	8,449	110,815

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.



Continuous Innovation & Quality

Hovid Bhd (Company no: 58476 A)
Condensed Consolidated Statement of Cash Flows (unaudited)
For the Second Quarter Ended 31 December 2011

	Note	6 months ended	
		31.12.2011 RM'000	31.12.2010 RM'000
Cash flows from operating activities			
Profit/(Loss) before tax		14,834	(1,216)
<i>Adjustments for:</i>			
Allowance for doubtful debts		26	21,239
Amortisation of intangible assets		246	274
Defined benefit plan expenses for a Director		93	110
Depreciation of property, plant and equipment		2,480	5,864
Gain on disposals of plant and equipment		(30)	(11)
Gain on disposal of an associate		(7,684)	-
Gain on disposal of a subsidiary		-	(10,773)
Reversal of impairment loss for investment in associate		(1,422)	-
Interest expense		1,534	4,075
Interest income		(923)	(845)
Property, plant and equipment written off		9	17
Revaluation surplus realised on disposal of a subsidiary		-	44
Share of loss of equity accounted investee, net of tax		9,106	3,126
Unrealised (gain)/loss on foreign exchange		1,255	(130)
Gain on distribution of dividend-in-specie		(953)	-
Operating profit before changes in working capital		18,571	21,773
Change in inventories		(4,180)	912
Change in receivables, deposits and prepayments		(1,565)	10,232
Change in payables and accruals		5,020	55
Cash generated from operations		17,846	32,972
Interest received		1,708	1,534
Interest paid		(1,283)	(3,436)
Tax paid		(1,570)	(2,389)
Net cash generated from operating activities		16,701	28,681
Cash flows from investing activities			
Acquisition of property, plant and equipment		(2,466)	(1,224)
Advances to/(repayment from) an associate		516	(881)
Disposal of a subsidiary, net of cash		-	18,782
Proceeds from disposals of property, plant and equipment		48	39
Proceeds from disposals of associate/subsidiary		-	12,600
Product development expenditure incurred		(1,979)	(1,566)
Net cash (used in)/generated from investing activities		(3,881)	27,751
Cash flows from financing activities			
Pledged deposits with licensed banks		301	(504)
Repayments of short-term bank borrowings		(2,519)	(17,247)
Repayments of hire purchase liabilities		(949)	(1,568)
Repayments of term loans		(1,762)	(16,380)
Proceeds from term loans and other long-term borrowings		-	2,581
Net cash used in financing activities		(4,929)	(33,119)
Change in cash and cash equivalents		7,891	23,313
Effect of exchange rates fluctuations on cash held		145	3
Cash and cash equivalents at beginning of the period		1,776	(18,485)
Cash and cash equivalents at end of the period	(I)	9,812	4,831

Note (I) Cash and cash equivalents comprises:

Cash and bank balances	17,750	11,299
Less: Pledged deposits with licenced banks	(596)	(855)
Cash and bank balances excluding pledged deposits	17,154	10,444
Bank overdraft	(7,342)	(5,613)
	9,812	4,831

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements.



Continuous Innovation & Quality

Hovid Bhd (Company no: 58476 A)

Quarterly financial report (unaudited)

For the Second Quarter Ended 31 December 2011

Explanatory Notes as per FRS 134, Interim Financial Reporting

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134, Interim Financial Reporting, and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2011. These 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 the financial position and performance of the Group since the financial year ended 30 June 2011.

A2 Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2011, except for those standards, amendments and interpretations which are effective for financial periods beginning on or after 1 July 2011. The adoption of these standards, amendments and interpretations have no material impact to these interim financial statements.

A3 Audit report of preceding annual financial statements

The audit report of the preceding annual financial statements was not subject to any qualification.

A4 Comment about seasonal or cyclical factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors during the quarter under review.

A5 Unusual items affecting assets, liabilities, equities, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence, other than the following:-

Arising from the distribution of a portion of the Company's shareholding in Carotech, the then associate company, as dividend-in-specie, the investment in Carotech became a simple investment (please refer to Note A8 and A12). Gain arising from the deemed disposal of associate company amounted to RM7.7 million.

A6 Significant estimates and changes in estimates

There were no changes in estimates that have had any material effect in the current financial period result.

A7 Debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period.

A8 Dividend paid

There was no dividend paid during the current financial quarter other than the following:-

On 23 December 2011, the Company distributed a portion of its shareholding interest in Carotech Berhad, the former associate company, by way of dividend-in-specie ("DIS") to the shareholders of the Company, on the basis of 25 ordinary shares of RM0.10 each in Carotech for every 100 ordinary shares of RM0.10 each held in the Company. The DIS amounted to RM8.573 million.



Continuous Innovation & Quality

Hovid Bhd (Company no: 58476 A)

Quarterly financial report (unaudited)

For the Second Quarter Ended 31 December 2011

Explanatory Notes as per FRS 134, Interim Financial Reporting

A9 Segment information

The Group's primary reporting format is based on business segments, namely, the pharmaceutical ("Hovid Segment") and phytonutrient/oleochemical/biodiesel ("Carotech Segment") industries.

During the current period, the Group operates in two main business segments.

	3 months ended		Year-to-date ended	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Revenue				
Hovid Segment	40,503	39,211	77,578	73,359
Carotech Segment	-	-	-	8,268
Group revenue	40,503	39,211	77,578	81,627
Profit/(Loss) before tax and non-recurring items				
Hovid Segment	7,732	7,138	14,834	12,226
Carotech Segment (a)	(2,833)	(4,202)	(7,684)	(2,679)
Group profit before tax	4,899	2,936	7,150	9,547
Non-recurring items				
Carotech Segment				
<i>Allowance for amount owing by Carotech</i>	-	-	-	(21,536)
<i>Gain on disposal of investment in Carotech (b)</i>	7,684	-	7,684	10,773
Total non-recurring items	7,684	-	7,684	(10,763)
Profit/(Loss) before tax and after non-recurring items				
Hovid Segment	7,732	7,138	14,834	12,226
Carotech Segment (a+b)	4,851	(4,202)	-	(13,442)
Group profit/(loss) before tax	12,583	2,936	14,834	(1,216)
Profit/(loss) after tax and non-recurring items				
Hovid Segment	6,189	5,530	11,851	9,621
Carotech Segment	4,851	(4,202)	-	(13,456)
Net profit/(loss) after tax	11,040	1,328	11,851	(3,835)

Moving forward, the Group's business segment will solely be in pharmaceutical as subsequent to the completion of the DIS as mentioned in Note A8 above, Carotech is no longer an associate company, and the investment in Carotech is accounted for as a simple investment in Hovid's book.



Continuous Innovation & Quality

Hovid Bhd (Company no: 58476 A)

Quarterly financial report (unaudited)

For the Second Quarter Ended 31 December 2011

Explanatory Notes as per FRS 134, Interim Financial Reporting

A10 Valuation of property, plant and equipment

The Group did not carry out any revaluation on its property, plant and equipment during the current financial quarter.

A11 Material subsequent events

There was no material event subsequent to the end of the current financial quarter.

A12 Changes in the composition of the Group

There were no changes to the composition of the Group during the quarter under review, other than the following:-

On 23 December 2011, Carotech is longer an associate company of Hovid with the completion of the distribution of DIS of Hovid's shareholding in Carotech to the shareholders of Hovid, when the shareholding in Carotech decrease from 38.5% to 17.6% and Hovid does not have any significant influence over Carotech's operations.

A13 Changes in contingent liabilities and contingent assets

There were no material changes in contingent liabilities or contingent assets since the date of last annual report as at 30 June 2011, to the date of this report.

A14 Significant related parties transactions

There were no significant related parties transactions during this reporting quarter and financial period to date.

A15 Capital commitments

The Group's capital commitments not provided for in the interim financial statements as at balance sheet date were as follows:

	RM'000
Authorised and contracted	
Plant and equipment	2,197
Total	2,197



Continuous Innovation & Quality

Hovid Bhd (Company no: 58476 A)

Quarterly financial report (unaudited)

For the Second Quarter Ended 31 December 2011

Explanatory Notes Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of performance

	3 months ended		Year-to-date ended	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Revenue				
Hovid Segment	40,503	39,211	77,578	73,359
Carotech Segment	-	-	-	8,268
Group revenue	40,503	39,211	77,578	81,627
Profit before tax and non-recurring items				
Hovid Segment	7,732	7,138	14,834	12,226
Carotech Segment				
- As subsidiary	-	-	-	455
- As associate, share of loss net of tax	(2,833)	(4,202)	(9,106)	(3,134)
- Reversal of impairment of investment in Carotech	-	-	1,422	-
Group profit before tax	4,899	2,936	7,150	9,547
Non-recurring items				
Carotech Segment				
<i>Allowance for amount owing by Carotech</i>	-	-	-	(21,536)
<i>Gain on disposal of investment in Carotech</i>	7,684	-	7,684	10,773
Total non-recurring items	7,684	-	7,684	(10,763)
Profit/(Loss) before tax and after non-recurring items				
Hovid Segment	7,732	7,138	14,834	12,226
Carotech Segment				
- As subsidiary	-	-	-	455
- As associate, share of loss net of tax	(2,833)	(4,202)	(9,106)	(3,134)
- Allowance for amount owing by Carotech	-	-	-	(21,536)
- Gain on disposal of investment in Carotech	7,684	-	7,684	10,773
- Reversal of impairment of investment in Carotech	-	-	1,422	-
Group profit/(loss) before tax	12,583	2,936	14,834	(1,216)
Profit/(loss) after tax and non-recurring items				
Hovid Segment	6,189	5,530	11,851	9,621
Carotech Segment				
- As subsidiary	-	-	-	442
- As associate, share of loss net of tax	(2,833)	(4,202)	(9,106)	(3,135)
- Allowance for amount owing by Carotech	-	-	-	(21,536)
- Gain on disposal of investment in Carotech	7,684	-	7,684	10,773
- Reversal of impairment of investment in Carotech	-	-	1,422	-
Net profit/(loss) after tax	11,040	1,328	11,851	(3,835)



Continuous Innovation & Quality

Hovid Bhd (Company no: 58476 A)

Quarterly financial report (unaudited)

For the Second Quarter Ended 31 December 2011

Explanatory Notes Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of performance (cont.)

cont. For the Quarter

The Group's revenue for the current quarter, arose solely from Hovid segment amounted to RM40.5 million was 3.3% higher as compared to the corresponding quarter last year of RM39.2 million.

The Group recorded a pre-tax profit ("PBT") of RM4.9 million for the current quarter, an increase of 66.9% as compared to the corresponding quarter last year of RM2.9 million before including the non-recurring item of RM7.7 million. Hovid segment recorded a PBT of RM7.7 million, an increase of 8.3% as compared to the corresponding quarter last year of RM7.1 million, as the better revenue coupled with a better gross profit margin. The share of loss in the associate company was RM2.8 million, a reduction of 32.6% as compared to previous year corresponding quarter of RM4.2 million.

The Carotech segment performance was affected by the curtailed operation activity due to the lack of working capital while its debts are being restructured with its lenders.

Taking into account the above non-recurring item, the Group's PBT amounted to RM12.6 million, an increase of 328.6% as compared to the corresponding quarter last year of RM2.9 million.

Year-to-date

For the current period ended 31 December 2011, the Group recorded a revenue of RM77.6 million, a decrease of 5% compared to the revenue of RM81.6 million registered in the previous financial period. Hovid segment revenue shows an increase of 5.8% as compared to the previous financial period due to increase demand. Carotech's revenue was consolidated for two month to August 2010 in the previous financial period. Thereafter, its revenue was not consolidated as it was no longer a subsidiary.

The result of the Group was affected by the non-recurring items arising from the Carotech segment, details as listed above.

The Group recorded a PBT of RM7.2 million before including the above non-recurring items for the financial period, a decrease of 25.1%, compared to RM9.5 million last period. However, taking into account the non-recurring items, the Group's PBT was RM14.8 million, compared to a loss before tax ("LBT") of RM1.2 million last period.

The Hovid segment PBT has increased by 21.3% or RM2.6 million during the current financial period in comparison to previous financial period. The improved result is mainly due to the increase in revenue and better profit margin.

Carotech segment performance was affected by the curtailed operational activity due to the lack of working capital while its debts are being restructured with its lenders. The adverse result of Carotech was significantly attributed by its unrealised foreign exchange loss incurred during the current period as compared to the unrealised foreign exchange gain recorded for the same quarter last year.

Carotech was a subsidiary until end of August 2010. From September 2010 until 23 December 2011, it was an associate company. Thereafter it became a simple investment in the books of Hovid. Accordingly, its result was consolidated for two months as subsidiary, equity accounted for period from September 2010 to 23 December 2011.

Share of loss in Carotech was RM9.1 million, as compared to RM3.1 million during the previous period, an increase of 190.06%.

B2 Results comparison with preceding quarter

	Quarter ended	
	31.12.2011 RM'000	30.09.2011 RM'000
Revenue		
Hovid Segment	40,503	37,075
Carotech Segment	-	-
Group	40,503	37,075
Profit / (Loss) before taxation		
Hovid Segment	7,732	7,102
Carotech Segment		
- As subsidiary	-	-
- As associate, share of loss net of tax	(2,833)	(6,273)
- Gain on disposal of investment in Carotech	7,684	-
- Reversal of impairment of investment in Carotech	-	1,422
Group	12,583	2,251

The Group's revenue which is solely from Hovid segment recorded a revenue of RM40.5 million during the reporting quarter as compared to RM37.1 million for the preceding quarter, representing an increase of 9.2% due to increase in demand. Carotech segment was not consolidated since Carotech was no longer a subsidiary with effect from September 2010.

The Group recorded a PBT of RM12.6 million during the reporting quarter as compared to RM2.3 million for the preceding quarter. The Hovid segment recorded an increase in PBT of RM0.6 million or 8.9% as compared to the preceding quarter. The increase was mainly due to the increase in demand.

The share of loss in Carotech has decreased by RM3.4 million or 54.8% as compared to the preceding quarter mainly due due the significant unrealised foreign exchange loss suffered by Carotech during the preceding quarter.

Gain arising from the deemed disposal of investment in Carotech amounted to RM7.7 million on completion of distribution of DIS as mentioned in Note A8, when the investment in Carotech decreased to 17.6%, and it became a simple investment in the books of Hovid.

B3 Commentary on Prospects

Barring any unforeseen circumstances, the outlook for the Hovid segment in the Group is expected to be satisfactory as the Group is actively securing new overseas markets and registration of new products in the Pharmaceutical segment.

The Group will continue to enhance its competitive edge by continually placing emphasis in research and development and improving its production processes to achieve better efficiency in the Pharma Segment.

B4 Profit forecast, profit guarantee and internal targets

The Group did not provide any profit forecast, profit guarantee and internal targets in any public document or any announcements made.

Hovid Bhd (Company no: 58476 A)

Quarterly financial report (unaudited)

For the Second Quarter Ended 31 December 2011

Explanatory Notes Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad

B5 Taxation

	3 months ended		Year-to-date ended	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Income taxation	1,472	1,608	3,040	2,619
Deferred taxation	71	-	(57)	-
Based on the results for the period	1,543	1,608	2,983	2,619

The effective tax rate of the Group for the financial period is lower than the statutory rate applicable mainly due to the tax incentives and non-taxable income.

B6 Status of corporate proposal

There are no corporate proposals announced but not completed for the quarter under review other than the following:-

a Executives' share option scheme

On 8 October 2007, the Company had announced an executives' share option scheme ("ESOS") for the benefit of the eligible directors of the Company and eligible executives of the Company and its subsidiaries. The proposal was approved by the shareholders during the Company's Extraordinary General Meeting held on 27 November 2007.

B7 Borrowings and debt securities

Details of the Group's bank borrowings, as at 31 December 2011 are as follows :-

	Current RM'000	Non-current RM'000	Total RM'000
Secured	37,085	8,228	45,313

The bank borrowings denominated in foreign currency are as follows:-

Denominated in US Dollar	874
Denominated in Philippines Peso	350
Denominated in Indian Rupees	3,258
	<u>45,313</u>



Continuous Innovation & Quality

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Quarterly financial report (unaudited)

For the Second Quarter Ended 31 December 2011

Explanatory Notes Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad

B8 Material litigation

There were no material litigation against the Group as at the reporting date, that arose since the last annual statement of financial position.

B9 Dividend payable

No dividend has been declared or recommended in respect of the financial period under review.

B10 Earnings per share

The basic earning per share has been calculated by dividing the Group's net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the current financial period ended 31 December 2011. For the purpose of calculating diluted earnings per share, the profit/loss attributable to shareholders and the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary shares, ie, warrants in issue.

	3 months ended		Year-to-date ended	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Net profit/(loss) attributable to shareholders	10,756	1,469	11,260	(3,942)
<u>Number of ordinary shares</u>				
	<u>'000</u>	<u>'000</u>	<u>'000</u>	<u>'000</u>
Weighted average number of ordinary shares (basic)	762,080	762,080	762,080	762,080
Effects of Warrants	381,040	381,040	381,040	381,040
Weighted average number of ordinary shares (diluted)	1,143,120	1,143,120	1,143,120	1,143,120
<u>Earning/(Loss) per share</u>				
	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Earning/(loss) per share at nominal value of RM0.10 per share:-				
Basic	1.4	0.2	1.5	(0.5)
Diluted	0.9	0.1	1.0	(0.3)



Continuous Innovation & Quality

Hovid Bhd (Company no: 58476 A)

Quarterly financial report (unaudited)

For the Second Quarter Ended 31 December 2011

Explanatory Notes Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad

B11 Profit for the period

Included in the profit for the period are:-

	Current quarter RM'000	Year-to-date RM'000
Interest income	467	923
Other income	187	544
Interest expense	(743)	(1,535)
Depreciation and amortisation	(1,370)	(2,727)
Provision for and write off of receivables	(26)	(26)
Provision for and write off of inventories	(2)	(2)
Gain on disposal of investment in associate	7,684	7,684
Reversal of impairment of investment in associate	-	1,422
Foreign exchange gain or loss	(587)	178
Gain/(loss) on derivatives	-	-
Exceptional items	-	-

B12 Realised and unrealised profits and losses disclosure

	As at 31.12.2011 RM'000	As at 30/06/2011 RM'000
Total retained profits/(accumulated losses) of Hovid and its subsidiaries:-		
Realised	15,706	14,628
Unrealised	(10,746)	(13,040)
Total	4,960	1,588
Total share of retained profits/(accumulated losses) from associated company:-		
Realised	-	(12,823)
Unrealised	-	3,471
Total	-	(9,352)
Consolidation adjustments	10,077	20,114
Total group retained earnings	15,037	12,350

Authorisation for issue

On 20 February 2012, the Board of Directors authorised this interim report for issue.

On behalf of the Board,

Goh Tian Hock

Ng Yuet Seam

Joint Secretaries