



## Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

### INTERIM FINANCIAL REPORT 30 SEP 2010

The Board of Directors of Signature International Berhad (“SIB” or “the Company”) is pleased to announce the following unaudited consolidated results of SIB and its subsidiaries (collectively known as “the Group”) for the period ended 30 Sep 2010.

#### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEP 2010

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 Sep 2010 RM'000	Preceding Period Corresponding Quarter Ended 30 Sep 2009 RM'000	Current Period Ended 30 Sep 2010 RM'000	Preceding Period Ended 30 Sep 2009 RM'000
Revenue	30,707	41,153	30,707	41,153
Operating expenses	(25,662)	(34,674)	(25,662)	(34,674)
Other operating income	272	117	272	117
Profit from operations	5,317	6,596	5,317	6,596
Finance Costs	(317)	(213)	(317)	(213)
Profit before taxation	5,000	6,383	5,000	6,383
Tax expense	(1,299)	(1,273)	(1,299)	(1,273)
Profit after taxation	3,701	5,110	3,701	5,110
Attributable to:				
- Equity holders of the parent	3,618	4,845	3,618	4,845
- Non-controlling interest	83	265	83	265
	3,701	5,110	3,701	5,110
Earnings per share (sen)				
- Basic	3.0	4.0	3.0	4.0
- Diluted	Not applicable	Not applicable	Not applicable	Not applicable

#### Notes:

- (i) The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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#### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEP 2010

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 Sep 2010 RM'000	Preceding Period Corresponding Quarter Ended 30 Sep 2009 RM'000	Current Period Ended 30 Sep 2010 RM'000	Preceding Period Ended 30 Sep 2009 RM'000
<b>Profit after taxation</b>	3,701	5,110	3,701	5,110
<b>Other Comprehensive Income</b>				
Exchange differences on translating foreign operations	6	(137)	6	(137)
Other comprehensive income for the period, net of tax	6	(137)	6	(137)
<b>Total Comprehensive Income for the year</b>	<b>3,707</b>	<b>4,973</b>	<b>3,707</b>	<b>4,973</b>
Total Comprehensive Income: attributable to:				
- Equity holders of the parent	3,624	4,708	3,624	4,708
- Non-controlling interest	83	265	83	265
	<b>3,707</b>	<b>4,973</b>	<b>3,707</b>	<b>4,973</b>

Notes:

- (ii) The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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#### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEP 2010

	Note	UNAUDITED As at 30 Sep 2010 RM'000	AUDITED As at 30 Jun 2010 RM'000 (Restated)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2.3, 2.4	26,154	26,089
Investment properties	2.3, 2.4	6,647	7,838
Other investment	2.2	-	321
Available-for-sale financial asset	2.2	321	-
Long-term receivables	2.2	5,060	-
		<u>38,182</u>	<u>34,248</u>
<b>Current Assets</b>			
Inventories		7,565	8,511
Amount owing by contract customers		7,375	11,813
Receivables - net of deposit received	2.2	46,069	54,278
Tax refundable		1,470	1,550
Short-term investments	2.2	-	8,333
Financial assets at fair value through profit or loss	2.2	15,839	-
Fixed deposit with licensed banks		163	162
Cash and bank balances		14,511	17,693
		<u>92,992</u>	<u>102,340</u>
<b>TOTAL ASSETS</b>		<u>131,174</u>	<u>136,588</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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#### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEP 2010 (CONT'D)

	Note	UNAUDITED As at 30 Sep 2010 RM'000	AUDITED As at 30 Jun 2010 RM'000 (Restated)
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		60,000	40,000
Share premium		-	11,582
Reserves	2.2	<u>34,540</u>	<u>40,370</u>
Shareholders' equity		94,540	91,952
Non-controlling interest		<u>1,275</u>	<u>1,192</u>
<b>TOTAL EQUITY</b>		<u>95,815</u>	<u>93,144</u>
<b>Non-Current Liabilities</b>			
Hire purchase payables		831	866
Term loans		4,356	2,043
Deferred taxation		<u>1,090</u>	<u>1,090</u>
		<u>6,277</u>	<u>3,999</u>
<b>Current Liabilities</b>			
Payables		28,123	30,788
Amount owing to contract customers		-	7,250
Provision for taxation		-	402
Hire purchase payables		519	565
Term loan		440	440
		<u>29,082</u>	<u>39,445</u>
<b>TOTAL LIABILITIES</b>		<u>35,359</u>	<u>43,444</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>131,174</u>	<u>136,588</u>
Net assets per ordinary share attributable to ordinary equity holders of the Company (RM)		<u>0.79</u>	<u>0.77</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEP 2010

	← Attributable to equity holders of the parent →						Total RM'000	Non- controlling interest RM'000	Total Equity RM'000
	Non-Distributable Reserves			Distributable					
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Merger Deficit RM'000	Exchange Translation Reserve RM'000	Retained Profits RM'000			
<b>Balance as at 1 Jul 2010</b>									
As previously reported	40,000	11,582	1,309	(28,567)	(35)	67,663	91,952	1,192	93,144
Effects of adopting FRS 139 ( Note 2.2 )	-	-	-	-	-	(1,036)	(1,036)	-	(1,036)
As restated balance	40,000	11,582	1,309	(28,567)	(35)	66,627	90,916	1,192	92,108
Profit after taxation for the financial period	-	-	-	-	-	3,618	3,618	83	3,701
Other Comprehensive income	-	-	-	-	6	-	6	-	6
Total Comprehensive Income for the period	-	-	-	-	6	3,618	3,624	83	3,707
Bonus Issue	20,000	(11,582)	-	-	-	(8,418)	-	-	-
<b>Balance as at 30 Sep 2010</b>	<b>60,000</b>	<b>-</b>	<b>1,309</b>	<b>(28,567)</b>	<b>(29)</b>	<b>61,827</b>	<b>94,540</b>	<b>1,275</b>	<b>95,815</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEP 2009 (CONT'D)

	← Attributable to equity holders of the parent →						Total RM'000	Non- controlling interest RM'000	Total Equity RM'000
	Non-Distributable Reserves			Distributable					
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Merger Deficit RM'000	Exchange Translation Reserve RM'000	Retained Profits RM'000			
<b>Balance as at 1 Jul 2009</b>	40,000	11,582	1,309	(28,567)	(88)	59,035	83,271	820	84,091
Profit after taxation for the financial period	-	-	-	-	-	4,845	4,845	265	5,110
Other Comprehensive income	-	-	-	-	(137)	-	(137)	-	(137)
<b>Total Comprehensive Income for the period</b>	-	-	-	-	(137)	4,845	4,708	265	4,973
<b>Balance as at 30 Sep 2009</b>	40,000	11,582	1,309	(28,567)	(225)	63,880	87,979	1,085	89,064

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 SEP 2010

	Financial Period Ended 30 Sep 2010 RM'000	Preceding Period Ended 30 Sep 2009 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	5,000	6,383
<b>Adjustments:</b>		
Amortisation and depreciation	571	461
Loss / (Gain) on disposal of property, plant and equipment	(29)	(9)
Interest income	(272)	(78)
Interest expense	317	109
	<u>5,587</u>	<u>6,866</u>
<b>Changes in working capital</b>		
Inventories	946	113
Receivables	2,113	(14,157)
Amount owing by contract customers	(2,812)	4,521
Payables	(2,665)	6,134
	<u>3,169</u>	<u>3,477</u>
<b>Cash generated from operations</b>		
Interest received	272	78
Interest paid	(317)	(109)
Tax paid	(1,621)	(1,473)
	<u>1,503</u>	<u>1,973</u>
<b>Net cash inflow from operating activities</b>		
<b>CASH FLOWS FROM / (USED) IN INVESTING ACTIVITIES</b>		
Additions of property, plant and equipment and prepaid lease rentals	(649)	(384)
Proceeds from disposal of investment properties	2,400	-
Proceeds from disposal of property, plant and equipment	42	29
Purchase of short-term investments	-	(3,856)
Purchase of financial assets at fair value through profit and loss	(7,506)	-
	<u>(5,713)</u>	<u>(4,211)</u>
<b>Net cash from / (used) in investing activities</b>		
<b>CASH FLOWS FROM / (USED) IN FINANCING ACTIVITIES</b>		
Hire purchase	(81)	(107)
Borrowings	1,104	(103)
	<u>1,023</u>	<u>(210)</u>
<b>Net cash from / (used) in financing activities</b>		
<b>Effects of foreign exchange rate changes</b>	6	(137)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(3,181)	(2,585)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>17,855</u>	<u>10,660</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>14,674</u>	<u>8,075</u>



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### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 SEP 2010 (CONT'D)

	Financial Period Ended 30 Sep 2010 RM'000	Preceding Period Ended 30 Sep 2009 RM'000
<b>Cash and cash equivalents comprise:</b>		
Deposits with licensed banks	163	162
Cash and bank balances	14,511	7,913
	<u>14,674</u>	<u>8,075</u>





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### NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

#### PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

##### 1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134 – Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.

The preparation of an interim financial report in conformity with FRS 134 – Interim Financial Reporting, requires management and the Directors to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group. The interim consolidated financial report and notes thereon do not include all the information required for a full set of financial statements prepared in accordance with FRSs.

##### 2. Summary of significant accounting policies

The significant accounting policies adopted are consistent with the audited financial statements for the financial year ended 30 Jun 2010, except for the adoption of the following new Financial Reporting Standards (“FRSs”), Amendments to FRSs and Interpretations by the Group with effect from 1 Jul 2010:

FRS 1 (Revised)	First time adoption of Financial Reporting Standards
FRS 3 (Revised)	Business Combination
FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101 (Revised)	Presentation of Financial Statements
FRS 123 (Revised)	Borrowing Costs
FRS 127 (Revised)	Consolidated and Separate Financial Statements
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 1 and FRS 127	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendment to FRS 2	Vesting Conditions and Cancellations
Amendment to FRS 2	Scope of FRS 2 and FRS 3 (Revised)
Amendment to FRS 5	Plan to Sell the Controlling interest in a Subsidiary

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**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT**
**2. Summary of significant accounting policies (Cont'd)**

Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 101 and FRS 132	Puttable Financial Instruments and Obligations Arising on Liquidation
Amendment to FRS 107	Statement of Cash Flows
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events after the Reporting Period
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 118	Revenue
Amendment to FRS 119	Employee Benefits
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 128	Investments in Associates
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendment to FRS 131	Interest in Joint Ventures
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 138	Intangible Assets
Amendment to FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendment to IC Interpretation 9	Scope of IC Interpretation 9 and FRS 3(Revised)
Annual Improvements to FRSs (2009)	Improvement to FRSs (2009)

The above new FRSs, Amendments to FRSs and Interpretations are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes arising from the adoption of FRSs as follows:



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### NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

#### 2. Summary of significant accounting policies (Cont'd)

##### 2.1 FRS 101 (Revised): Presentation of Financial Statements

The revised FRS 101 introduces changes in the presentation of the financial statements as follows:

Pre-FRS 101	Post-FRS 101
-Balance Sheet	-Statement of Financial Position
-Income Statements	-Statement of Comprehensive Income
-Statement of Changes in Equity	-Statement of Changes in Equity
-Cash Flow Statement	-Statement of Cash Flows

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the statements of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense recognized directly in equity, either in single statement, or in two linked statements. The Group has elected to present this statement as two linked statement and has accounted the changes retrospectively to the comparative period.

	As previously reported	Effect of adopting FRS 101	After effect of adopting FRS 101
	RM'000	RM'000	RM'000
<b>Three month period ended 30 Sep 2009</b>			
Profit after taxation	5,110	-	5,110
Other Comprehensive Income			
Exchange differences on translating foreign operations	-	(137)	(137)
Other comprehensive income for the period, net of tax	-	(137)	(137)
Total Comprehensive Income for the year	5,110	(137)	4,973
Total Comprehensive Income: attributable to:			
- Equity holders of the parent	4,845	(137)	4,708
- Non-controlling interest	265	-	265
	5,110	(137)	4,973



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### NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

#### 2. Summary of significant accounting policies (Cont'd)

##### 2.2 FRS 139: Financial Instruments: Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. The adoption of FRS 139 has resulted in financial instruments of the Group to be categorized and measured using the accounting policies as summarized below:-

##### (a) Initial Recognition and Measurement

Financial instruments are recognized in the financial statements when, and only when, the Group's become a party to the contractual provisions of the instruments. Financial instruments are recorded initially at fair value. Subsequently measurement of the financial instruments in the statement of the financial position at the reporting date is determined by the designation of the financial instruments.

##### (b) Financial assets

Financial assets are classified as financial assets at fair value through profit and loss, loans and receivables, held to maturity investments, available-for-sale ("AFS") financial assets, or as derivatives designated as hedging instruments in the effective hedge, as appropriate.

##### (c) Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss comprises financial assets that are held for trading including derivatives, unless they are designated as hedges. Financial assets at fair value through profit and loss are measured at fair value at each reporting date with changes in fair values recognized as gains and loss in the statement of comprehensive income. This category of financial assets is classified as current assets. In accordance with the requirement of this standard, foreign exchange contracts of the Group have been measured at fair value and the changes in the fair value has been recognized in profit and loss.

##### (d) AFS financial assets

AFS financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.



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### NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

#### 2. Summary of significant accounting policies (Cont'd)

##### 2.2 FRS 139: Financial Instruments: Recognition and Measurement (Cont'd)

###### (e) Trade and other receivables

Prior to the adoption of FRS 139, trade and other receivables were stated at gross receivables less provision for doubtful debts, Under the FRS 139, these receivables are initially measured at fair value plus transactions costs and subsequently at amortised cost using the effective interest rate ("EIR") method. Gain and losses arising from the derecognition of the receivables, amortization under the EIR method and impairment losses are recognized in the statement of comprehensive income.

###### (f) Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives as hedging instruments in an effective hedge, as appropriate. The Group's financial liabilities included trade and other payables and borrowings. Under the FRS 139, these financial liabilities are measured initially at fair value and subsequently carried at amortised cost using EIR method.

In accordance with the transitional provision of first time adoption of FRS 139, the above changes in accounting policy have been accounted for prospectively and the comparatives are not restated. Instead, the changes have been accounted for by restating the opening balances as at 1 Jul 2010 in the consolidated statement of financial position. The effect of changes in the consolidated statement of financial position is as follows:

	As previously reported RM'000	Effect of adopting FRS 139 RM'000	After effect of adopting FRS 139 RM'000
Balance as at 1 Jul 2010			
Non Current assets			
Other investment	321	(321)	-
Available-for-sale financial asset	-	321	321
Long-term receivables	-	4,835	4,835
Current assets			
Receivables - net of deposit received	54,278	(5,871)	48,407
Short-term investments	8,333	(8,333)	-
Financial assets at fair value through profit or loss	-	8,333	8,333
Equity			
Reserves	40,370	(1,036)	39,334



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### NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

#### 2. Summary of significant accounting policies (Cont'd)

##### 2.3 Amendment to FRS 117 – Lease

With the adoption of the Amendments to FRS 117, the classification of a leasehold land as a finance lease or operating lease is based on the extent to which risks and rewards incident to ownership lie. In making this judgement, the Group has concluded that all the leasehold land are substance in finance lease. This change in classification of prepaid land lease payments to property, plant and equipment in the current period and retrospectively to the comparative prior year's Statement of Financial Position are disclosed in Note 2.4

##### 2.4 Amendment to FRS 140 – Investment Property

Prior to the adoption of the Amendment to FRS 140, properties that were being constructed or developed for future use as investment properties were treated as construction-in-progress and classified as property, plant and equipment. With the adoption of the Amendment to FRS 140, such properties are treated as investment property in accordance with FRS 140. The comparatives have been restated to conform to current period presentation.

The effects of the reclassification to the comparatives following the adoption of the above Amendments to FRS 117 and FRS 140 are as follows:

	As previously reported RM'000	Effect of Amendment to FRS 117 RM'000	Effect of Amendment to FRS 140 RM'000	As Restated RM'000
Property, plant and equipment	23,718	6,045	(3,674)	26,089
Prepaid land lease payments	6,045	(6,045)	-	-
Investment Properties	4,164	-	3,674	7,838

#### 3. Comments about Seasonal or Cyclical Factors

The business operations of the Group are not significantly affected by seasonal or cyclical factors other than the retail / non-project sector which is affected by the festive periods in Malaysia.



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### **NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT**

#### **4. Unusual Items due to their nature, size or incidence**

There were no items of a material and unusual nature which would substantially affect the assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review except for the effects arising from the adoption of FRS139 as disclosed in Note 2.2.

#### **5. Changes in Estimates**

There were no estimates announced in regard of the current quarter results.

#### **6. Changes in Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter except that Company issued a bonus issue of 40,000,000 new shares of RM 0.50 each on the basis of one (1) Bonus Share for every two (2) existing shares held on 13 Jul 2010.

The approval is obtained from the Bursa Securities, the Shareholders of the Company and the other relevant authority and the corporate exercise was completed on 14 Jul 2010.

The enlarged issued and paid up capital of 40,000,000 new shares was granted listing and quotation on the Main Market of Bursa Malaysia Securities Berhad on 14 Jul 2010.

#### **7. Dividend Paid**

No dividends were paid during the quarter under review.



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#### 8. Segmental Information

The Group	Design Manufacture and Retail Of Kitchen And Wardrobe Systems RM'000	Marketing and Distribution Of White Goods RM'000	Manufacture Of Glass and Aluminium Products RM'000	Others RM'000	Eliminations RM'000	The Group RM'000
<b>Result for 3 months</b>						
<b>Quarter ended 30 Sep 2010</b>						
<b>REVENUE:</b>						
External revenue	26,478	691	3,538	-	-	30,707
Inter-segment revenue	7,562	1,885	426	404	(10,277)	-
<b>Total revenue</b>	<b>34,040</b>	<b>2,576</b>	<b>3,964</b>	<b>404</b>	<b>(10,277)</b>	<b>30,707</b>
<b>RESULTS</b>						
Segment results	4,867	324	277	(151)	-	5,317
Finance costs	(303)	(6)	(8)	-	-	(317)
Profit from ordinary activities before taxation						5,000
Income tax expense						(1,299)
Profit from ordinary activities after taxation						3,701
Non-controlling interest						(83)
Net profit attributable to equity holders of the parent						3,618





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### NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

#### 8. Segmental Information (Cont'd)

The Group	Design Manufacture and Retail Of Kitchen And Wardrobe Systems RM'000	Marketing and Distribution Of White Goods RM'000	Manufacture Of Glass and Aluminium Products RM'000	Others RM'000	Eliminations RM'000	The Group RM'000
<b>Result for 3 months Quarter ended 30 Sep 2009</b>						
<b>REVENUE:</b>						
External revenue	39,414	752	987	-	-	41,153
Inter-segment revenue	7,177	1,424	1,052	-	(9,653)	-
<b>Total revenue</b>	<b>46,591</b>	<b>2,176</b>	<b>2,039</b>	<b>-</b>	<b>(9,653)</b>	<b>41,153</b>
<b>RESULTS</b>						
Segment results	5,643	211	790	(48)	-	6,596
Finance costs	(200)	(7)	(6)	-	-	(213)
Profit from ordinary activities before taxation						6,383
Income tax expense						(1,273)
Profit from ordinary activities after taxation						5,110
Non-controlling interest						(265)
Net profit attributable to equity holders of the parent						4,845



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#### 8. Segmental Information (Cont'd)

The Group	Manufacture and Retail Of Kitchen And Wardrobe Systems RM'000	Marketing and Distribution Of White Goods RM'000	Manufacture Of Glass and Aluminium Products RM'000	Others RM'000	Eliminations RM'000	The Group RM'000
<b>Assets and Liabilities As at 30 Sep 2010</b>						
OTHER INFORMATION						
Segment assets	126,584	5,808	6,991	69,054	(78,733)	129,704
Unallocated assets						1,470
						<u>131,174</u>
Segment liabilities	74,140	1,088	3,881	3,247	(48,088)	34,269
Unallocated liabilities						1,090
						<u>35,359</u>

The Group	Design Manufacture and Retail Of Kitchen And Wardrobe Systems RM'000	Marketing and Distribution Of White Goods RM'000	Manufacture Of Glass and Aluminium Products RM'000	Others RM'000	Eliminations RM'000	The Group RM'000
<b>Assets and Liabilities As at 30 Jun 2010</b>						
OTHER INFORMATION						
Segment assets	127,410	5,581	8,467	69,192	(75,612)	135,038
Unallocated assets						1,550
						<u>136,588</u>
Segment liabilities	77,282	1,038	5,553	3,214	(45,135)	41,952
Unallocated liabilities						1,492
						<u>43,444</u>



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### NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

#### 9. Valuation of Property, Plant and Equipment and Investment Properties

The valuations of the property, plant and equipment have been brought forward without amendment from the previous audited financial statements.

#### 10. Material Events Subsequent to the end of the interim period

There were no material events not reflected in the interim financial results.

#### 11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

#### 12. Changes in Contingent Assets or Contingent Liabilities

There were no changes in contingent assets.

As at 30 Sep 2010, corporate guarantees extended to licensed banks for credit facilities granted to the subsidiaries as follows:-

	Current Period Ended 30 Sep 2010 RM'000	Preceding Period Ended 30 Sep 2009 RM'000
Corporate guarantee given to licensed banks for credit facilities granted to the subsidiaries	<u>17,821</u>	<u>11,135</u>

#### 13. Capital Commitments

Capital commitments for the purchase of property, plant and equipment and investment properties not provided for in the interim financial statements as at the balance sheet date were as follows:



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### NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

#### 13. Capital Commitments (Cont'd)

	Current Period Ended 30 Sep 2010 RM'000	Preceding Period Ended 30 Sep 2009 RM'000
<b>Approved and contracted for:-</b>		
Property, Plan and Equipment	-	652
Investment Properties	5,690	-
<b>Total capital commitments</b>	<b>5,690</b>	<b>652</b>

#### 14. Material Related Party Transactions

Details of the relationship between the Group and its related parties are as described below. The related party transactions are carried out on normal commercial terms not more favourable to the related party than those generally available to the third parties, dealt at arm's length with the Group.

##### Name of Company

##### Principal Activities

Duamas Consolidated Sdn Bhd ("Duamas")

Interior Fit Out Contractor

Heart Base Sdn Bhd

Retail of kitchen and wardrobe systems

HSB Development Sdn Bhd

Property Development

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 Sep 2010 RM'000	Preceding Period Corresponding Quarter Ended 30 Sep 2009 RM'000	Current Period Ended 30 Sep 2010 RM'000	Preceding Period Ended 30 Sep 2009 RM'000
<b>Heart Base Sdn Bhd</b>				
Sale of kitchen and wardrobe systems	87	206	87	206
<b>Duamas</b>				
Project claims for Kitchen Systems, Wardrobe Systems and Interior Fit-Out Services	808	3,517	808	3,517



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### NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

#### 14. Material Related Party Transactions (Cont'd)

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 Sep 2010 RM'000	Preceding Period Corresponding Quarter Ended 30 Sep 2009 RM'000	Current Period Ended 30 Sep 2010 RM'000	Preceding Period Ended 30 Sep 2009 RM'000
<b>HSB Development Sdn Bhd</b>				
Project claims for Kitchen Systems, Wardrobe Systems and Interior Fit-Out Services	2,544	-	2,544	-



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### NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

#### PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD.

##### 15. Review of Performance – Current Quarter and Year to date ended 30 Sep 2010

A summary of the financial results is set out below:-

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 Sep 2010 RM'000	Preceding Period Corresponding Quarter Ended 30 Sep 2009 RM'000	Current Period Ended 30 Sep 2010 RM'000	Preceding Period Ended 30 Sep 2009 RM'000
Revenue	30,707	41,153	30,707	41,153
Profit before taxation	5,000	6,383	5,000	6,383

##### *Current Quarter and Year to date*

For the current quarter ended 30 Sep 2010, the Group recorded lower revenue of RM30.7million in comparison with preceding year corresponding quarter of RM41.1million. The decreased of 25.4% in revenue is mainly due to the timing of the recognition of revenue from projects in progress.

The profit before tax for the quarter decreased by 21.7% from RM6.4million in the preceding year corresponding quarter to RM5.0million in the current quarter. The decreased in the profit before tax is due to lower contribution from projects segment.

The kitchen and wardrobe segment continued to be the main contributor of revenue and profit before tax at 86.2% and 91.3% respectively. Despite the decrease in project revenue, the project segment remain to be the driving force of growth for the current quarter.



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### NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

#### 16. Material change in Profit before tax of Current Quarter compared with Preceding Quarter

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 Sep 2010 RM'000	Preceding Quarter Ended 30 Jun 2010 RM'000	Current Period Ended 30 Sep 2010 RM'000	Preceding Quarter Ended 30 Jun 2010 RM'000
Revenue	30,707	34,808	30,707	34,808
Profit before taxation	5,000	3,004	5,000	3,004

The current quarter revenue of RM 30.7million is 11.8% lower than the immediate preceding quarter of RM34.8million due to lower revenue contribution from retail segment.

The profit before tax recorded for the current quarter is RM5.0million, 66.4% higher than the immediate preceding quarter of RM3.0million. The absolute profit before tax figure for the immediate preceding quarter was reflected lower mainly due to the provision for doubtful debts made.

#### 17. Current Year Prospects

Barring any unforeseen circumstances, the Board of Directors is optimistic that the Group will be able to achieve satisfactory performance for the year in view of the gradual improvement on the local and global financial market.

#### 18. Variance between Actual Results and Forecast Results

The Group did not issue any profit forecast or profit guarantee in respect of the current quarter under review.



**SIGNATURE**

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**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT**

**19. Taxation**

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 Sep 2010 RM'000	Preceding Period Corresponding Quarter Ended 30 Sep 2009 RM'000	Current Period Ended 30 Sep 2010 RM'000	Preceding Period Ended 30 Sep 2009 RM'000
Current Tax Expense	1,299	1,263	1,299	1,263
Deferred Tax Expense	-	10	-	10
Total Income Tax Expense	<u>1,299</u>	<u>1,273</u>	<u>1,299</u>	<u>1,273</u>

The Group's effective tax rate for the current quarter is consistent with the statutory tax rate.

**20. Sale of unquoted investments and properties**

There was no sale of unquoted investments during the quarter under review.

One of the Investment properties in Penang with carrying amount of RM2.4million was disposed to third party during the quarter under review. The transaction resulted to no gain no loss.

**21. Quoted and marketable securities**

There was no a purchase or disposal of quoted securities for the current quarter under review.

**22. Status of Corporate Proposals**

There were no corporate proposals announced during the current quarter under review except as disclosed below:-

- a) The Company proposed to undertake a bonus issue of 40,000,000 new shares of RM 0.50 each on the basis of one (1) Bonus Share for every two (2) existing shares held on 13 Jul 2010.

The approval is obtained from the Bursa Securities, the Shareholders of the Company and the other relevant authority and the corporate proposal was completed on 14 Jul 2010.

The enlarged issued and paid up capital of 40,000,000 new shares was granted listing and quotation on the Main Market of Bursa Malaysia Securities Berhad on 14 Jul 2010.





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#### 23. Borrowings and Debt Securities

The Group's borrowings as follows:

	Cumulative Period	
	Current Period Ended 30 Sep 2010 RM'000	Preceding Period Ended 30 Jun 2010 RM'000
Term Loan (Secured) :-		
Current	440	440
Non Current	4,356	2,043
Total Bank Borrowing	4,796	2,483

#### 24. Off Balance Sheet Financial Instruments

At the latest practicable date (not earlier than 7 days from the date of issue of the interim financial report), 24 Nov 2010, the Group does not have any off balance sheet financial instruments.

#### 25. Material Litigation

At the date of this interim financial report, there are no material litigations against the Group.

#### 26. Proposed Dividend

In view of the Group's financial performance for the financial year ended 30 June 2010, the Board recommends a final dividend (net) of 4 sen per ordinary share amounting to RM4.8million for the financial year ended 30 June 2010.

The final dividend recommended by the Board is subject to shareholders' approval at the forthcoming Annual General Meeting to be held on 17 December 2010.



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## NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

### 27. Earnings per Share

	Individual Period		Cumulative Period	
	Current Quarter Ended 30 Sep 2010	Preceding Period Corresponding Quarter Ended 30 Sep 2009	Current Period Ended 30 Sep 2010	Preceding Period Ended 30 Sep 2009
	RM'000	RM'000	RM'000	RM'000
<b>BASIC EARNINGS PER SHARE</b>				
Profit for the period attributable to ordinary equity holders of the Company	3,618	4,845	3,618	4,845
Weighted average number of ordinary shares in issue ('000) **	120,000	120,000	120,000	120,000
Basic Earnings per Share (sen)	3.0	4.0	3.0	4.0

\*\* The bonus issued was complete in 14 Jul 2010. In capitalising the bonus issue, ordinary shares are issued to existing shareholders for no additional consideration.

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the quarter ended 30 Sep 2010.

### 28. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 30 Jun 2010 were not subject to any qualification.

### 29. Authorisation for issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board on 24 Nov 2010.