

**CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE QUARTER AND NINE (9) MONTHS  
ENDED 31 DECEMBER 2010**

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**CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE QUARTER AND NINE (9) MONTHS ENDED 31 DECEMBER 2010**

The Board of Directors of HEXAGON HOLDINGS BHD wishes to announce the unaudited results of the Group for the third quarter ended 31 December 2010 as follows:-

**CONSOLIDATED INCOME STATEMENT FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2010**

	<b>FYE 2011</b>	FYE 2010	<b>FYE 2011</b>	FYE 2010	
	<b>Current Quarter Ended</b>	Current Quarter Ended	<b>9 months cumulative to date</b>	9 months cumulative to date	
	<b>31 December 2010</b>	31 December 2009	<b>31 December 2010</b>	31 December 2009	
	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000	Unaudited RM'000	
Revenue	106,655	61,318	270,143	249,067	
Cost of Sales	(91,700)	(52,790)	(219,595)	(205,199)	
Gross Profit	14,955	8,528	50,548	43,868	
Other Income / (Expenses)	1,714	654	2,667	1,281	
Selling & Distribution Expenses	(1,713)	(2,353)	(6,172)	(7,121)	
Administration and General Expenses	(9,802)	(10,309)	(31,155)	(30,708)	
Foreign Exchange (Loss) / Gain	(374)	(2,396)	(2,599)	(3,527)	
Allowance for doubtful debts	(427)	(298)	(392)	(912)	
Profits / (Loss) from Operations	4,353	(6,174)	12,897	2,881	
Finance Costs	(3,187)	(2,621)	(8,893)	(6,943)	
Investing Results	(22)	43	178	(170)	
Profit / (Loss) before tax	1,144	(8,752)	4,182	(4,232)	
Taxation	(70)	448	(393)	(1,464)	
Profit / (Loss) after tax	1,074	(8,304)	3,789	(5,696)	
Attributable to:					
Equity holders of the parents	552	(7,632)	4,071	(4,584)	
Minority Interest	522	(672)	(282)	(1,112)	
Net Profit for the period	1,074	(8,304)	3,789	(5,696)	
EPS - Basic	(Sen)	0.42	(5.75)	3.07	(3.45)
- Diluted	(Sen)	*	*	*	*

\* anti-dilutive

The Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the interim financial statements.

## CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE QUARTER AND NINE (9) MONTHS ENDED 31 DECEMBER 2010

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2010**

	<b>FYE 2011</b>	FYE 2010	<b>FYE 2011</b>	FYE 2010
	<b>Current Quarter Ended</b>	Current Quarter Ended	<b>9 months cumulative to date</b>	9 months cumulative to date
	<b>31 December 2010</b>	31 December 2009	<b>31 December 2010</b>	31 December 2009
	RM'000	RM'000	RM'000	RM'000
Profit / (Loss) for the period	1,074	(8,304)	3,789	(5,696)
Foreign currency translation differences arising from consolidation	(397)	(818)	66	(1,050)
<b>Total comprehensive income / (loss)</b>	<b>677</b>	<b>(9,122)</b>	<b>3,855</b>	<b>(6,746)</b>
<b>Total comprehensive income / (loss) attributable to:</b>				
Equity holders of the Company	(532)	(7,632)	2,549	(4,584)
Minority Interest	1,209	(1,490)	1,306	(2,162)
	<b>677</b>	<b>(9,122)</b>	<b>3,855</b>	<b>(6,746)</b>

The Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE QUARTER AND NINE (9) MONTHS ENDED  
 31 DECEMBER 2010

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010**

	<b>As at 31 December 2010</b>	<b>As at 31 March 2010</b>
	(Unaudited)	(Audited)
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, Plant and Equipment	92,871	98,137
Prepaid Lease Payments for land	5,752	5,809
Investments in Bond	3,695	3,000
Investment in Associates	764	586
Goodwill	2,035	2,035
Deferred Tax Assets	5,429	4,015
Development Expenditure	105	168
	110,651	113,750
<b>Current Assets</b>		
Inventories	51,671	56,487
Trade and Other Receivables	270,648	226,965
Tax Recoverable	974	2,472
Cash and Cash equivalents	36,657	27,896
	359,950	313,820
<b>Total Assets</b>	470,601	427,570
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Equity Holders of The Parent</b>		
Share Capital	66,348	66,348
Other Reserves	9,858	11,380
Retained Earnings	26,993	22,922
Shareholders' Fund	103,199	100,650
<b>Minority Interest</b>	18,326	17,020
<b>Total Equity</b>	121,525	117,670

## CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE QUARTER AND NINE (9) MONTHS ENDED 31 DECEMBER 2010

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010  
(continued)**

	<b>As at 31 December 2010</b>	<b>As at 31 March 2010</b>
	(Unaudited)	(Audited)
	RM'000	RM'000
<b>LIABILITIES</b>		
<b>Non Current Liabilities</b>		
Provision for Retirement Benefits	3,062	4,216
Long Term Borrowings	61,089	43,099
Deferred Tax Liabilities	877	877
	65,028	48,192
<b>Current Liabilities</b>		
Trade & Other Payables	88,526	67,267
Provision for Retirement Benefits	26	27
Overdraft & Short Term Borrowings	193,161	190,644
Current Tax Liabilities	2,335	3,770
	284,048	261,708
<b>Total Liabilities</b>	349,076	309,900
<b>Total Equity and Liabilities</b>	470,601	427,570
Net Asset per share	(Sen)	
	78	76

The Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE QUARTER AND NINE (9) MONTHS ENDED 31 DECEMBER 2010**

**CONSOLIDATION STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 DECEMBER 2010**

←----- Attributable to equity holders of the Company ----->

←----- Non-distributable ----->

	Share Capital RM'000	Other Capital Reserve RM'000	Exchange Reserve RM'000	Warrant Reserve RM'000	Share Based Payment Reserve RM'000	Distributable Retained Earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
<u>9 months quarter ended 31 December 2010</u>									
Balance as at 1 April 2010	66,348	1,095	(966)	9,519	1,732	22,922	100,650	17,020	117,670
Total comprehensive income / (loss) for the period	0	0	(1,522)	0	0	4,071	2,549	1,306	3,855
Transactions with owners in their capacity as owners :									
Dividend paid	0	0	0	0	0	0	0	0	0
Balance as at 31 December 2010	66,348	1,095	(2,488)	9,519	1,732	26,993	103,199	18,326	121,525

The Consolidation Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE QUARTER AND NINE (9) MONTHS ENDED 31 DECEMBER 2010**

**CONSOLIDATION STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 DECEMBER 2010**

←----- Attributable to equity holders of the Company ----->

←----- Non-distributable ----->

	Share Capital RM'000	Other Capital Reserve RM'000	Exchange Reserve RM'000	Warrant Reserve RM'000	Share Based Payment Reserve RM'000	Distributable Retained Earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
9 months quarter ended 31 December 2009									
Balance as at 1 April 2009	66,348	0	(206)	9,519	1,732	26,724	104,117	19,445	123,562
Total comprehensive income / (loss) for the period	0	0	0	0	0	(4,584)	(4,584)	(2,162)	(6,746)
Transactions with owners in their capacity as owners :									
Dividend paid	0	0	0	0	0	0	0	0	0
Balance as at 31 December 2009	66,348	0	(206)	9,519	1,732	22,140	99,533	17,283	116,816

The Consolidation Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE QUARTER AND NINE (9) MONTHS ENDED  
 31 DECEMBER 2010

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED 31 DECEMBER 2010**

	FYE 2011 9 months ended 31 December 2010 RM'000	FYE 2010 9 months ended 31 December 2009 (restated) RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before tax	4,182	(4,232)
Adjustments for:-		
Non-cash items	11,377	3,508
Non-operating items (which are investing / financing)	(10,458)	(3,850)
Operating profit / (loss) before changes in working capital	5,101	(4,574)
Changes in working capital		
Net change in current assets	(38,868)	(32,963)
Net change in current liabilities	23,039	15,664
Net cash flow used in operating activities	(10,728)	(21,873)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net purchase of property, plant and equipment	(1,652)	(6,563)
Net cash flow used in investing activities	(1,652)	(6,563)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Withdrawals / (Placements) of pledged fixed deposits	1,188	(1,427)
Bank borrowings	22,264	23,453
Net cash flow from financing activities	23,452	22,026
Net Change in Cash & Cash Equivalents	11,072	(6,410)
Cash & Cash Equivalents at beginning of period – Note (a)	15,357	23,571
Cash & Cash Equivalents at end of period - Note (b)	26,429	17,161

The Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 March 2010 and the accompanying explanatory notes attached to the interim financial statements.



CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE QUARTER AND NINE (9) MONTHS ENDED  
 31 DECEMBER 2010

	<b>FYE 2011</b>	<b>FYE 2010</b>
	<b>9 months ended</b>	<b>9 months ended</b>
	<b>31 December</b>	<b>31 December</b>
	<b>2010</b>	<b>2009 (restated)</b>
	RM'000	RM'000
<b>Note (a)</b>		
<b>Cash &amp; Cash Equivalents at beginning of period</b>		
Cash and bank balances	22,359	27,148
Unpledged fixed deposits with licensed banks	0	1,579
Bank overdraft	(7,002)	(5,156)
	15,357	23,571
<b>Note (b)</b>		
<b>Cash &amp; Cash Equivalents at end of period</b>		
Cash & cash equivalents	36,657	27,352
Less : Pledged fixed deposits	(6,725)	(3,971)
Cash and bank balances	29,932	23,381
Bank overdraft	(3,503)	(6,220)
	26,429	17,161

NOTES TO THE INTERIM FINANCIAL REPORT FOR NINE (9) MONTHS ENDED 31 DECEMBER 2010  
A. EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING

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**1. BASIS OF PREPARATION**

The interim financial statements are unaudited and have been prepared in accordance with FRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2010 and with the explanatory notes attached herein. These explanatory notes 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 last audited financial statement for the financial year ended 31 March 2010.

**2. CHANGES IN ACCOUNTING POLICIES**

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for year ended 31 March 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 January 2010.

**FRSs, Amendments to FRSs and Interpretations**

FRS 4 Insurance Contracts  
FRS 7 Financial Instruments: Disclosures  
FRS 8 Operating Segments  
FRS 101 Presentation of Financial Statements (Revised 2009)  
FRS 123 Borrowing Costs  
FRS 139 Financial Instruments: Recognition and Measurement  
Amendment to FRS 1 First-time Adoption of Financial Reporting Standards  
Amendment to FRS 2 Share-based Payment - Vesting Conditions and Cancellations  
Amendment to FRS 7 Financial Instruments: Disclosures  
Amendment to FRS 8 Operating Segments  
Amendment to FRS 107 Statement of Cash Flows  
Amendment to FRS 108 Accounting Policies, Changes in Accounting Estimates and Errors  
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 123 Borrowing Costs  
Amendment to FRS 128 Investments in Associates  
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 139 Financial Instruments: Recognition and Measurement  
Amendment to FRS 140 Investment Property

NOTES TO THE INTERIM FINANCIAL REPORT FOR NINE (9) MONTHS ENDED 31 DECEMBER 2010  
A. EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING

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**CHANGES IN ACCOUNTING POLICIES (CONTINUED)**

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 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of the abovementioned FRSs, Amendments to FRSs and Interpretations will have no material impact on the financial statements of the Group except for the following:

**a) FRS 8: Operating Segments (FRS 8)**

FRS 8 requires segment information to be presented on a similar basis to that user for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on the internal reporting to the chief operating decision maker who makes decisions on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position and results of the Group.

**b) FRS 101: Presentation of Financial Statements (FRS 101)**

Prior to the adoption of the revised FRS 101, the components of the financial statements presented consisted of a balance sheet, an income statement, a statement of changes in equity, a cash flow statement and notes to the financial statements. With the adoption of the revised FRS 101, the components of the interim financial statements presented consist of a financial position, an income statement, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements. Following from this, FRS 101 separates owner and non-owner changes in equity. Therefore, the current consolidated statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. Comparative information, with exception of the requirements under FRS 139, had been re-presented so that it is also in conformity with the revised standard. This standard does not have any impact on the financial position and results of the Group.

**c) FRS 139, Financial Instruments: Recognition and Measurement**

Prior to the adoption of FRS 139, derivative contracts are off balance sheet items and gains and losses were recognised in the financial statements on settlement date. With the adoption of FRS 139, derivative contracts are now required to be initially recognised at fair value on the date the derivative contract is entered into and subsequently re-measured at fair value at each balance sheet date. In accordance with the requirement of this standard, the Group assessed its derivatives to see if they qualify for hedge accounting, and following that, have designated its derivatives arising from forward foreign exchange contracts as cash flow hedges. The Group recognises the changes in their fair value directly in equity, to the extent that the hedges are effective. As allowed under the transitional provisions of FRS 139, the Group has not applied the standard retrospectively.

**3. QUALIFICATION OF AUDIT REPORT FOR THE PRECEDING ANNUAL FINANCIAL STATEMENTS**

The audit report of the Group's annual financial statements for the year ended 31 March 2010 was not subject to any qualification.

NOTES TO THE INTERIM FINANCIAL REPORT FOR NINE (9) MONTHS ENDED 31 DECEMBER 2010  
 A. EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING

**4. SEASONAL / CYCLICAL FACTORS**

The Group's operations are not affected materially by any seasonal / cyclical factors.

**5. UNUSUAL ITEMS THAT AFFECT THE FINANCIAL STATEMENTS DUE TO THEIR NATURE, SIZE, OR INCIDENCE**

There were no items affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence of the Group for the period.

**6. MATERIAL CHANGES IN ESTIMATES**

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

**7. ISSUANCES, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES**

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year-to-date.

**8. DIVIDEND PAID**

There was no payment of dividend for the quarter ended 31 December 2010.

**9. SEGMENTAL REPORTING**

The Group's segmental report for the current quarter and financial year-to-date are as follows:-

	<b>Current Quarter Ended 31 December 2010</b>	<b>9 months cumulative to date 31 December 2010</b>
	RM'000	RM'000
<b>Segmental Revenue</b>		
Manufacturing		
- Retail solutions	38,335	101,172
- Semiconductor	3,696	13,210
Trading and service	12,613	37,787
Engineering	57,331	144,458
Investment income	0	0
	<u>111,975</u>	<u>296,627</u>
Eliminations	(5,320)	(26,484)
<b>Group Revenue</b>	<u>106,655</u>	<u>270,143</u>

NOTES TO THE INTERIM FINANCIAL REPORT FOR NINE (9) MONTHS ENDED 31 DECEMBER 2010  
A. EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING

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**Segmental Results**

Manufacturing		
- Retail solutions	2,360	2,794
- Semiconductor	(1,950)	(3,710)
Trading and service	87	1,482
Engineering	3,426	12,950
Investment income	541	1,906
	<hr/>	<hr/>
	4,464	15,422
Eliminations	(111)	(2,525)
<b>Group Profit from Operations</b>	<hr/>	<hr/>
	4,353	12,897

**10. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT**

There was no revaluation of property, plant and equipment during the current quarter. The valuations of property, plant and equipment have been brought forward without any amendments from the previous annual financial statements.

**11. SUBSEQUENT EVENT**

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

**12. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the current quarter and financial period-to-date.

**13. CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date.

NOTES TO THE INTERIM FINANCIAL REPORT FOR NINE (9) MONTHS ENDED 31 DECEMBER 2010  
B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENT OF  
BURSA MALAYSIA SECURITIES BERHAD

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**14. REVIEW OF PERFORMANCE FOR CURRENT QUARTER AND FINANCIAL YEAR-TO-DATE**

For the current quarter, the Group revenue was RM106.66million which RM45.34million higher than that recorded in the same corresponding period last year. This was primarily generated from engineering division which managed to secure some fast-track projects during the year. PAT has also improved significantly to RM1.07million from Loss After Tax (LAT) RM8.30million recorded in the last corresponding period. This was largely attributed to higher margin and revenue, and lower overheads across our business segments.

For the financial year-to-date, the Group revenue registered an increase of RM21.07 million from RM249.07 to RM270.14 million; whilst, it achieved a PAT of RM3.8 million as compared to LAT of RM5.69million in the same period last year.

**15. REVIEW OF PERFORMANCE FOR CURRENT QUARTER AS COMPARED TO THE PRECEDING QUARTER**

	<u>Current Quarter</u>	<u>Preceding Quarter ended 30 September 2010</u>
	RM'000	RM'000
Revenue	106,655	84,699
Profit after tax (PAT)	1,074	2,110

The current quarter's revenue was higher by approximately RM22million or 26% as compared to the preceding quarter. However, the Group recorded a lower PAT to RM1.1million from RM2.1million in the preceding quarter.

Engineering division has contributed significantly to the revenue growth as the new projects were progressing smoothly during the current quarter but lower margin from some of the existing projects has affected the Group PAT.

**16. PROSPECTS**

Barring any unforeseen circumstances, we anticipate an improved performance for the current financial year in view of the positive contributions from all divisions and some of the recently awarded contracts scheduled for completion by year end.

Nevertheless, the Board remains cognizant of the relatively still sluggish economy in US and Europe, and the volatility of their respective currencies against the Ringgit.

NOTES TO THE INTERIM FINANCIAL REPORT FOR NINE (9) MONTHS ENDED 31 DECEMBER 2010  
B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENT OF  
BURSA MALAYSIA SECURITIES BERHAD**17. TAXATION**

	<u>Current Quarter</u>	<u>Year to date</u>
	RM'000	RM'000
Profit before income tax	1,144	4,182
Taxation	(70)	(393)
Effective tax rate	6.1%	9.4%

The taxation charge to the Income Statement consists of :

	<u>Current Quarter</u>	<u>Year to date</u>
	RM'000	RM'000
Income tax	1,247	1,396
Deferred taxation	(1,177)	(1,003)
	<u>70</u>	<u>393</u>

The estimated effective tax rate of 9.4% was lower than the statutory tax rate because the Group would be expected to exercise group relief provision as provided by Income Tax Act 1967.

**18. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES**

There were no other sales nor profits/(losses) on any sale of unquoted investments and properties for the current quarter and financial year-to-date.

**19. QUOTED SECURITIES**

There were no purchase and disposal of quoted securities by the Group for the current quarter and financial year-to-date.

**20. CORPORATE PROPOSALS**

There are no outstanding corporate proposals for the current quarter and financial year-to-date.

NOTES TO THE INTERIM FINANCIAL REPORT FOR NINE (9) MONTHS ENDED 31 DECEMBER 2010  
B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENT OF  
BURSA MALAYSIA SECURITIES BERHAD

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**21. GROUP BORROWINGS**

The Group borrowings are secured against corporate guarantees given by the company, charges over the landed properties, fixed deposits pledged and negative pledged over the Group's assets.

	<b>As at 31 December 2010</b>
	<u>RM'000</u>
Short Term Borrowings	
Bills Payable	142,423
Revolving Credits	8,495
Bank Overdraft	3,503
Working Capital	6,591
Hire Purchase	1,594
Term Loans - Current portion	30,555
	<u>193,161</u>
Long Term Borrowings	
Hire Purchase	1,799
Term Loans – Long term portion	59,290
	<u>61,089</u>
Total Group Borrowings	<u>254,250</u>

All borrowings are denominated in local currency.

**22. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no off balance sheet financial instruments as at the reporting date.

**23. CHANGES IN MATERIAL LITIGATION**

There were no material litigations against the Group as at the reporting date.

**24. PROPOSED DIVIDEND**

No dividend has been declared nor proposed for the current quarter.



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 NOTES TO THE INTERIM FINANCIAL REPORT FOR NINE (9) MONTHS ENDED 31 DECEMBER 2010  
 B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENT OF  
 BURSA MALAYSIA SECURITIES BERHAD

**25. EARNINGS PER SHARE ("EPS")**

		<b>Current Quarter Ended</b>	Comparative Quarter Ended	<b>9 months cumulative to date</b>	9 months cumulative to date
		<b>31 December 2010</b>	31 December 2009	<b>31 December 2010</b>	31 December 2009
Net profit/(loss)	(RM'000)	552	(7,632)	4,071	(4,584)

**BASIC EARNINGS PER SHARE**

Weighted average number of ordinary shares in issue	('000)	132,695	132,695	132,695	132,695
Earnings per Share	(Sen)	0.42	(5.75)	3.07	(3.45)

**DILUTED EARNINGS PER SHARE**

Adjustment for warrant conversion		63,476	63,476	63,476	63,476
Adjusted weighted average number of ordinary shares in issue	('000)	196,171	196,171	196,171	196,171
Earnings per Share	(Sen)	*	*	*	*

\* ANTI-DILUTIVE

**26. RETAINED EARNINGS**

	<b>As at 31 December 2010</b>	<b>As at 30 September 2010</b>
	RM'000	RM'000
Total retained profits of the company and its subsidiaries :		
- Realised	24,649	24,326
- Unrealised	-	-
Total share of accumulated losses from associated companies :		
- Realised	(321)	(246)
- Unrealised	-	-
	<u>24,328</u>	<u>24,080</u>
Consolidation adjustments	2,665	2,360
Total group retained profits as per consolidated accounts	<u>26,993</u>	<u>26,440</u>

NOTES TO THE INTERIM FINANCIAL REPORT FOR NINE (9) MONTHS ENDED 31 DECEMBER 2010  
B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENT OF  
BURSA MALAYSIA SECURITIES BERHAD

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By Order of the Board,

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**TAN BENG WAN**

Executive Chairman and Group Chief Executive Officer

Date : 22<sup>nd</sup> February 2011