

SELOGA HOLDINGS BERHAD (Company No. 361052-11)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE 4TH QUARTER ENDED 31 DECEMBER 2009
 CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER ENDED 31/12/09 RM'000 (Unaudited)	PRECEDING YEAR CORRESPONDING QUARTER 31/12/08 RM'000 (Unaudited)	CUMULATIVE CURRENT YEAR TO DATE 31/12/09 RM'000 (Unaudited)	PRECEDING YEAR CORRESPONDING PERIOD 31/12/08 RM'000 (Audited)
Revenue	12,251	10,359	61,883	47,759
Cost of sales	(6,635)	(8,455)	(36,968)	(39,021)
Gross Profit	5,616	1,904	24,915	8,738
Other Income	3,285	194	5,991	8,073
Operating Expenses	(5,909)	(3,265)	(10,886)	(19,148)
Operating Profit/(Loss)	2,992	(1,167)	20,020	(2,337)
Finance Cost	(623)	(736)	(2,592)	(2,972)
	2,369	(1,903)	17,428	(5,309)
Share of Profit/(Loss) of Jointly Controlled Entity	-	-	-	-
Profit / (Loss) Before Taxation	2,369	(1,903)	17,428	(5,309)
Taxation	(879)	(5)	(3,402)	1,823
Net profit / (loss) for the period	1,490	(1,908)	14,026	(3,486)
Attributable to:				
Equity holders of the parent	1,490	(1,908)	14,026	(3,486)
Minority interests	-	-	-	-
	<u>1,490</u>	<u>(1,908)</u>	<u>14,026</u>	<u>(3,486)</u>
Earnings/(Loss) per share (sen)				
- Basic	1.27	(1.63)	12.00	(2.98)
- Diluted	1.11	(1.63)	10.46	n/a

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2008 and the explanatory notes attached to the interim financial statements.

**SELOGA HOLDINGS BERHAD (Company No. 361052-H)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE 4TH QUARTER ENDED 31 DECEMBER 2009
 CONDENSED CONSOLIDATED BALANCE SHEET**

	AS AT END OF CURRENT QUARTER 31/12/09 RM'000 (Unaudited)	AS AT PRECEDING FINANCIAL YEAR END 31/12/08 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	5,103	7,443
Investment properties	1,593	3,434
Investments	1,503	119
Jointly controlled entity	-	-
Land held for development	13,487	13,487
Property development expenditure	7,513	13,512
Goodwill on consolidation	15,277	15,277
Deferred tax asset	-	3,000
Fixed deposits with licensed banks	764	764
	<u>45,240</u>	<u>57,036</u>
Current assets		
Inventories	-	-
Property development expenditure	3,036	6,534
Amount due from customers on contracts	10,529	8,678
Trade receivables	30,598	31,917
Other receivables and prepaid expenses	17,333	2,703
Tax refundable	660	692
Fixed deposits with licensed banks	-	-
Cash and bank balances	4,454	6,892
	<u>66,610</u>	<u>57,416</u>
TOTAL ASSETS	<u>111,850</u>	<u>114,452</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	116,908	116,908
Share premium	12,396	12,396
ICULS	5,275	3,923
Accumulated losses	(92,976)	(107,002)
Total equity	<u>41,603</u>	<u>26,225</u>
Non-current liabilities		
Long term borrowings	14,305	19,120
Hire purchase creditors	-	-
Deferred taxation	6	6
	<u>14,311</u>	<u>19,126</u>
Current Liabilities		
Amount due to customers on contracts	5,929	4,914
Trade payables	32,882	35,638
Other payables and accrued expenses	3,398	14,060
Hire purchase creditors	-	14
Bank borrowings	5,429	5,427
Bank overdrafts	8,046	7,997
Provision for taxation	252	1,051
	<u>55,936</u>	<u>69,101</u>
Total liabilities	<u>70,247</u>	<u>88,227</u>
TOTAL EQUITY AND LIABILITIES	<u>111,850</u>	<u>114,452</u>
Net assets per share (sen)	35.6	22.4

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2008 and the explanatory notes attached to the interim financial statements.

SELOGA HOLDINGS BERHAD (Company No. 361052-H)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE 4TH QUARTER ENDED 31 DECEMBER 2009
 CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT				TOTAL EQUITY RM'000
	ISSUED CAPITAL RM'000	SHARE PREMIUM RM'000	NON-DISTRIBUTABLE ICULS RM'000	DISTRIBUTABLE ACCUMULATED LOSSES RM'000	
<u>12 months ended 31 December 2008 (Audited)</u>					
As at 1 January 2008					
As previously stated	116,908	12,396	1,871	(103,516)	27,659
Conversion of Irredeemable Convertible Unsecured Loan Stocks to Shares	-	-	-	-	-
Issuance of ICULS	-	-	2,052	-	2,052
Corporate exercise expenses	-	-	-	-	-
Net loss for the period	-	-	-	(3,486)	(3,486)
As at 31 December 2008	<u>116,908</u>	<u>12,396</u>	<u>3,923</u>	<u>(107,002)</u>	<u>26,225</u>
<u>12 months ended 31 December 2009 (Unaudited)</u>					
As at 1 January 2009	116,908	12,396	3,923	(107,002)	26,225
Conversion of Irredeemable Convertible Unsecured Loan Stocks to Shares	-	-	-	-	-
Issuance of ICULS	-	-	1,352	-	1,352
Corporate exercise expenses	-	-	-	-	-
Net profit for the period	-	-	-	14,026	14,026
As at 31 December 2009	<u>116,908</u>	<u>12,396</u>	<u>5,275</u>	<u>(92,976)</u>	<u>41,603</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2008 and the explanatory notes attached to the interim financial statements.

SELOGA HOLDINGS BERHAD (Company No. 361052-H)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE 4TH QUARTER ENDED 31 DECEMBER 2009
 CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	12 MONTHS ENDED 31/12/09 RM'000 (Unaudited)	12 MONTHS ENDED 31/12/08 RM'000 (Audited)
Profit/(Loss) before tax	17,428	(5,309)
Adjustments for:		
Non-cash items	359	8,952
Non-operating items	6,634	2,527
Operating profit before changes in working capital	<u>24,421</u>	<u>6,170</u>
Changes in working capital:		
Net Change in Current Assets	(8,864)	13,445
Net Change in Current Liabilities	(12,514)	(23,524)
Interest paid		(403)
interest received		167
Tax paid		(371)
Net Cash Flow from operating activities	<u>3,043</u>	<u>(4,516)</u>
Investing Activities		
Purchase of property, plant and equipment	-	(3)
Purchase of investment properties	-	-
Proceeds from disposal of property, plant and equipment	1,982	17
Proceeds from disposal of investment	457	1,199
Acquisition of subsidiary company, net cash acquired		-
Withdrawal of fixed deposits pledged to financial institutions		33
Interest received	-	-
Cash Flow From Investing Activities	<u>2,439</u>	<u>1,246</u>
Financing Activities		
Bank borrowings & interest	(6,768)	(4,258)
Proceeds from issuance of shares		-
Corporate exercise expenses paid		-
Cash Flow Used In Financing Activities	<u>(6,768)</u>	<u>(4,258)</u>
Net Change in Cash and Cash Equivalents	(1,286)	(7,528)
Cash and Cash Equivalents at beginning of year	(2,306)	6,423
Cash and Cash Equivalents at end of period	<u>(3,592)</u>	<u>(1,105)</u>

* Cash and cash equivalents as at 31 December 2009 comprise the following:

	AS AT 31/12/09 RM'000	AS AT 31/12/08 RM'000
Cash and bank balances	4,454	10,127
Fixed Deposits		-
Fixed Deposits pledged		-
Bank overdrafts	(8,046)	(3,704)
	<u>(3,592)</u>	<u>6,423</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2008 and the explanatory notes attached to the interim financial statements.



SELOGA HOLDINGS BERHAD
 (Company No: 361052-H)
 Incorporated In Malaysia

NOTES TO THE QUARTERLY FINANCIAL REPORT
PERIOD ENDED 31 DECEMBER 2009

EXPLANATORY NOTES PURSUANT TO FRS 134

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (FRS) 134, Interim Financial Reporting 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 for the year ended 31 December 2008. 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 31 December 2008.

A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2008. The Group has not applied the following accounting standards and interpretations (including their consequential amendments) that have been issued by the MASB but are not yet effective:-

FRS Interpretation	Effective date
Amendments to FRS 1, <i>First-time Adoption of Financial Reporting standard</i> and FRS 127, <i>Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controller Entity or Associate</i>	1 January 2010
Amendments to FRS 5, <i>Non-current Assets Held for Sale and Discontinued Operations</i>	1 July 2010
FRS 3 (revised), <i>Business Combinations</i>	1 July 2010
FRS 123, <i>Borrowing Costs</i>	1 January 2010
FRS 139 and Amendments to FRS 139, <i>Financial Instruments: Recognition and Measurement</i>	1 January 2010
Amendments to FRS 101, <i>Presentation of Financial Statements</i>	1 January 2010
Amendments to FRS 132, <i>Financial Instruments: Presentation</i>	1 January 2010

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2008 was not qualified.

A4 Seasonal or Cyclical Factors

The Group's operations are not affected by seasonal and cyclical factors.

A5 Unusual Items Due to their Nature, Size or Incidence

There were no unusual items which affect the assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

A6 Changes in Estimates

There were no changes in the estimates of amounts, which give a material effect in the current quarter.

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 quarter.

A8 Dividends Paid

There was no dividend paid by the Company for the current reporting quarter.

A9 Segmental Information

The business segments are presented below:

	12 months ended	
	31.12.09	31.12.08
	RM'000	RM'000
	(Unaudited)	(Audited)
Segment revenue		
Property development	57,892	42,424
Construction	28,231	38,851
Others	-	68
Total revenue incl. inter-segment sales	86,123	81,343
Elimination of inter-segment sales	(24,241)	(33,584)
Total revenue from continuing operations	61,883	47,759
Segment results		
Property development	18,626	(1,111)
Construction	3,536	2,530
Others	(1,951)	(3,256)
	20,211	(1,837)
Eliminations	(191)	(500)
	19,999	(2,337)

Total results from continuing operations	20,020	(2,337)
Finance costs	(2,592)	(2,972)
Taxation	17,428	(5,309)
Net profit/loss for the year	(3,402)	1,823
	14,026	(3,486)

The geographical segments of the Group are as follows:

	Total Revenue from External Customers 12 months ended		Segment Assets As at	
	31.12.2009 RM'000 (Unaudited)	31.12.2008 RM'000 (Audited)	31.12.2009 RM'000 (Unaudited)	31.12.2008 RM'000 (Audited)
Malaysia	61,883	47,759	111,450	108,927
Africa	-	-	-	-
Others	-	-	400	5,525
	61,883	47,759	111,850	114,452

A10 Carrying Amount of Revalued Assets

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2008.

A11 Subsequent Events

As at the date of this report, there were no material events subsequent to the end of the period under review that have not been reflected in the financial statement.

A12 Changes in Composition of the Group

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

A13 Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2008.

A14 Capital Commitments

There was no capital commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 31 December 2009.

EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Performance Review

The Group recorded higher revenue for the current quarter of RM12.2 million as compared with the revenue of RM10.4 million in the preceding quarter ended 31 December 2008. The higher revenue recorded is mainly attributed to the higher sales and development progress of the housing development at Taman Nusantara, Nusajaya, Iskandar Development Region (IDR), Johor.

The Group recorded a higher profit before taxation of RM2.4 million for the current quarter as compared to the preceding year's quarter ended 31 December 2008 a net loss of RM1.9 million. This is mainly attributed to higher gross margins being achieved on sales revenue as a result of better cost management of sub-contract works of the various phases of construction jobs being undertaken progressively at the Taman Nusantara project.

For the financial year under review, the Group recorded a revenue of RM61.9 million, an increase of 29.6% over the corresponding period of the previous financial year, whilst for the same period, the Group recorded a cumulative profit after tax of RM14 million against a net loss after tax of RM3.5 million over the corresponding period of the previous financial year.

B2 Material Change in Profit/Loss Before Taxation

The Group posted a lower profit before taxation of RM2.4 million for the current quarter as compared to immediate preceding quarter of 30 September 2009 of RM6.9 mainly due to a combination of lower revenue recorded and higher expenses incurred, mainly attributed to a one-off settlement with certain creditors.

B3 Prospects of the Group

The outlook of the local property market continues to remain challenging characterized by softer demand and higher supply being made available especially in the secondary market.

The Group however, shall continue its focus on establishing itself as a reliable niche developer in the affordable housing segment where there is still an encouraging demand particularly at its Taman Nusantara within IDR. The project has in fact, been further encouraged by its prime location within the vicinity of the newly established Bandar Nusajaya, where the various main offices of the Johor State Government were recently and gradually opened for business.

Operating Expenses and Construction Costs have been kept under control; marketing efforts continued to be intensified and financially, the Group is in a much better position for further growth.

There are already increasing evidence of a modest recovery in the property market generally in the country. The Group is poised to take advantage of the current circumstances by recently launching further phases of affordable residential units priced at less than RM150,000 per unit of landed two-storey development with very encouraging sales recorded thus far.

The proposed development of Parcel B consisting of mixed development covering a total of about 260 acres has been duly approved by all the relevant Johor State authorities. This development which consists of medium-to-high cost units with an expected Gross Development Value of RM700.0 million over a period of three to five years, augurs well for

the sustainability of the Group's profitability. Launching of the first phase of this development is expected to take place soon once the building plans are ready.

Barring unforeseen circumstances, the Board of Directors is of the opinion that the trend of the positive performance recorded during the current quarter shall be maintained for the current financial year.

B4 Profit Forecast

Not applicable as there was no forecast/profit guarantee.

B5 Taxation

The current quarter taxation represents mainly provision for tax of current period.

B6 Unquoted Investments and Properties

There were no sale of unquoted investments and properties during the current quarter.

B7 Quoted Investments

There was no sale or purchase of quoted investments during the current quarter.

	<u>As at 31/12/2009</u>
	RM'000
Total investment at cost	1,185
Total Investment at carrying value/book value	1,185
Total investment at market value	1,907

B8 Status of Corporate Proposals

Except for the following proposals which are in various stages of implementation, there were no other new corporate proposals:

- (i) Proposed comprehensive restructuring scheme involving (1) Proposed Capital Restructuring (2) Proposed Rights Issue and (3) Additional Issuance of Shares (collectively referred to as "Proposal")

Other than those reported in the earlier quarters, Securities Commission vide its letter dated 29 July 2009 has approved the above Proposal subject to term and conditions which was duly announced to Bursa on the same day. To date, the Company has yet to implement the above Proposal.

B9 Borrowings and Debt Securities

	<i>Long Term</i>	<i>Short Term</i>
	RM'000	RM'000
<u>Secured Loans as at 31 December 2009</u>		
Bank Overdraft	-	8,046
Short Term Advance	-	1,829
Term Loan	14,305	3,600
Hire Purchase Creditors	-	-
	<u>14,305</u>	<u>13,475</u>

The above loans are denominated in Ringgit Malaysia.

B10 Off Balance Sheet Financial Instruments

On 9 May 2003, the Company issued RM24 million nominal value seven year zero coupon irredeemable convertible unsecured loan stock ("ICULS") to Segi Resources Sdn Bhd, a joint venture ("JV") partner to the Segi-Seloga Jaya JV turnkey project.

The ICULS are convertible into new ordinary shares on a semi-annual basis commencing six months from the issuance date to the day immediately preceding the Maturity Date, 7 May 2010, based on the cumulative certified billing amount/turnover of the Segi-Seloga Jaya JV turnkey project.

ICULS conversion details are as follows:

Total ICULS issued	24,000,000
less conversions completed on :	
- 24 December 2003	(232,604)
- 19 May 2004	(128,401)
- 25 November 2004	(589,760)
- 9 May 2005	(1,018,162)
- 17 November 2005	(585,513)
- 10 May 2006	(758,382)
- 9 November 2006	(1,443,562)
- 10 May 2007	(2,021,387)
Total ICULS converted to shares	(6,777,771)
Balance of ICULS as at 31/12/2007	17,222,229

As at 31 December 2009, RM5,275,294 nominal amount of ICULS of RM1.00 each which are yet to be converted into ordinary shares of RM1.00 each.

B11 Changes in Material Litigation

Other than those reported in earlier quarter, there were no changes in material litigation lasting the current reporting quarter, except for the following :-

(a) Settlement Agreement between Denia Development Sdn Bhd, Seloga Jaya Sdn Bhd And Charern Properties Sdn Bhd

An agreement was reached on the 26th October 2009 to resolve the outstanding sum owing to Charern Properties Sdn Bhd under a Tripartite Agreement dated 3rd February 2004 made between Denia, Seloga Jaya and Charern Properties in relation to the construction, finance and sale of 125 units of double story shop office at Plot 4B, Phase 8 & 10, Taman Nusantara, 81550 Gelang Patah, Johor ("the Project"). The Settlement Agreement stipulates *inter alia*, that the outstanding amount of RM1,942,270 is to be paid as full and final settlement by way of part cash i.e RM230,000 and part properties identified as Lot 4, 13, 15, 43, 50 double story shop office of Phase 6F of the Taman Nusantara Project. The said properties are worth RM1, 712,270 at book value of Denia.

B12 Dividend

No dividend has been declared for the financial period ended 31 December 2009. There were no dividends paid in respect of the corresponding financial period.

B13 Earnings/(Loss) Per Share

12 MONTHS ENDED	
31.12.09	31.12.08
RM '000	RM '000
(Unaudited)	(Audited)

Basic Earnings/(Loss) Per Share

Profit/(Loss) for the period attributable to equity holders of

the parent	14,026	(3,486)
Weighted average number of ordinary shares ('000)	116,908	116,908
Basic Earnings/(Loss) Per Share (sen)	12.00	(2.98)
<u>Diluted Earnings/(Loss) Per Share</u>		
Profit/(Loss) for the period attributable to equity holders of the parent	14,026	(3,486)
Weighted average number of ordinary shares ('000)	116,908	116,908
Effect of dilution:		
- ICULS ('000)	17,222	17,222
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>134,130</u>	<u>134,130</u>
Diluted Earnings/(Loss) Per Share (sen)	10.46	(2.60)

B14 Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 February 2010.