

For immediate release

QUARTERLY FINANCIAL REPORT

Quarter 1 : Financial Year Ending 31 December 2012

The Directors are pleased to release the quarterly financial report for the three months ended 31st March 2012 being the first quarter for the financial year 2012.

The contents of the financial report comprise of the following attached condensed financial statements, explanatory notes, and additional disclosures. These must be read in conjunction with the Group's financial statements for the year ended 31 December 2011:

- Schedule I : Condensed Consolidated Income Statement
- Schedule II : Condensed Consolidated Statement of Comprehensive Income
- Schedule III : Condensed Consolidated Statement of Financial Position
- Schedule IV : Condensed Consolidated Statement of Cash Flow
- Schedule V : Condensed Consolidated Statement of Changes in Equity
- Schedule VI : Selected Explanatory Notes
- Schedule VII : Additional Disclosures

This quarterly financial report has been prepared in accordance with the accounting standards on interim financial reporting issued by the Malaysian Accounting Standards Board and contains additional disclosures prescribed by the Main Market Listing Requirements of Bursa Malaysia. Unless specified otherwise, the same accounting policies and methods of computation applied to the Group's financial statements for the previous year had been followed throughout this quarterly financial report.

By Order of the Board

Eric Toh Chee Seong (LS 0005656)
Company Secretary
29 May 2012

Schedule I : Condensed Consolidated Income Statement

For the three months ended 31 March 2012

RM'000	1 st Quarter		% chg
	31/03/2012	31/03/2011	
Revenue	23,606	18,863	25.1%
Operating profit	8,115	4,999	62.3%
Interest expense	(1,108)	(1,293)	
Interest income	38	17	
Administrative expenses	(1,441)	(776)	
Other income	1,181	644	
Profit before taxation (PBT)	6,785	3,591	88.9%
Taxation	(1,608)	(760)	
Profit after taxation (PAT)	5,177	2,831	82.9%
Attributable to :			
Equity holders of the Company	5,181	1,649	214.2%
Non-controlling interests	(4)	1,182	
	5,177	2,831	
Basic earnings per share (sen) attributable to equity holders of the Company	5.1	1.6	218.8%
Diluted earnings per share (sen) attributable to equity holders of the Company	4.2	1.4	200.0%

nm – not meaningful

This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2011.

Schedule II : Condensed Consolidated Statement of Comprehensive Income
 For the three months ended 31 March 2012

RM'000	1 st Quarter		% <i>chg</i>
	31/03/2012	31/03/2011	
Profit after taxation	5,177	2,831	82.9%
Other comprehensive income, (net of tax)			
Foreign currency translation			
Realisation of reserves	-	-	
Total comprehensive income for the quarter	5,177	2,831	82.9%
Total comprehensive income attributable to:			
Equity holders of the Company	5,181	1,649	214.2%
Non-controlling interests	(4)	1,182	
	5,177	2,831	

nm – not meaningful

This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2011.

Schedule III : Condensed Consolidated Statement of Financial Position

As at 31 March 2012/29

RM'000	31/03/2012	Audited 31/12/2011
Property, plant & equipment	93,868	93,586
Properties held for investment	260	261
Other financial assets	16	277
Goodwill on consolidation	12,450	12,450
Current assets		
Trade receivables	11,740	765
Inventories	806	809
Other receivables	5,049	14,134
Fixed deposits with financial institutions	3,700	3,763
Other financial assets	-	-
Tax recoverable	1,084	633
Cash and cash equivalents	12,076	15,479
	34,455	35,583
Assets of disposal group classified as held for sale	3,936	3,939
Less : Current liabilities		
Trade payables	3,000	2,363
Other payables	21,409	31,308
Provision for dividend	-	1,009
Finance lease payables	18,182	16,915
Borrowings	-	3,944
Provision for taxation	3,109	1,685
	45,700	57,224
Liabilities of disposal group classified as held for sale	3	5
Net liabilities	(7,312)	(17,707)
	99,282	88,867
Financed by:		
Share capital	44,411	40,379
Retained earnings	13,240	8,058
Other reserves	(2,340)	(4,442)
Non-controlling interests	(2)	(48)
Total Equity	55,309	43,947
Non-current liabilities		
Finance lease payable	35,553	36,506
Shareholder advance	6,232	6,232
Deferred tax liabilities	2,188	2,182
	43,973	44,920
Total equity & non-current liabilities	99,282	88,867
Net assets per share (sen) attributable to equity holders of the Company	49.8	43.5

This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2011.

Schedule IV : Condensed Consolidated Statement of Cash Flow

For the year three months ended 31 March 2012

RM'000	1 st Quarter	
	31/03/2012	31/03/2011
Operating activities		
Profit before taxation		
- Continuing	6,785	3,591
Add non-cash : Depreciation & amortisation	5,109	4,424
Gain on :		
- disposal of property, plant & equipment	(719)	-
- impairment of financial assets	262	(25)
Changes in working capital	(11,147)	14,477
Tax paid	(452)	(328)
Net cash flows from operating activities	(162)	22,139
Investing activities		
Interest income	37	25
Minority interest		-
Purchase of property, plant and equipment	(5,386)	(10,571)
Investment in an subsidiary company		-
Proceeds from disposal of property, plant and equipment	588	-
Net cash flows from investing activities	(4,761)	(10,546)
Financing activities		
Interest expenses	(1,108)	(1,293)
Repayment of finance lease	(4,098)	(2,793)
Repayment of short term facilities	(10,443)	(6,784)
Issuance of shares	6,132	49
Dividend paid	-	-
Proceeds from finance lease	4,443	-
Proceeds from short term facilities	6,500	-
Net cash flows from financing activities	1,426	(10,821)
Net change in cash & cash equivalents	(3,497)	772
Cash & cash equivalents at beginning of year	19,273	9,451
Cash & cash equivalents at end of year	15,776	10,223
Comprising of :		
Cash and bank balances	12,076	6,975
Fixed deposits with financial institutions	3,700	3,248

Note :
 () denotes cash outflow

This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2011.

Schedule V : Condensed Consolidated Statement of Changes in Equity
 For the three months ended 31 March 2012

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

RM'000	Share Capital	Share premium & Other reserves	Warrant Reserve	Retained Earnings	Total	Non-controlling Interests	Total Equity
At 1 January 2012	40,379	(5,449)	1,007	8,059	43,996	(48)	43,948
Total comprehensive income	-	-	-	5,181	5,181	(4)	5,177
Transactions with owners:							
Conversion of warrant to shares	32	-	-	-	32	-	32
Issue new ordinary shares	4,000	2,100	-	-	6,100	-	6,100
Dividend declared	-	-	-	-	-	-	-
Others	-	-	-	-	-	52	52
Total transactions with owners	4,032	2,100	-	-	6,132	52	6,184
At 31 March 2012	44,411	(3,349)	1,007	13,240	55,309	-	55,309
At 1 January 2011	40,283	100	1,007	1,515	42,905	7,305	50,210
Total comprehensive income	-	-	-	-	1,649	1,182	2,831
Transactions with owners:							
Conversion of warrant to shares	49	-	-	-	49	-	49
Issue new ordinary shares	-	-	-	-	-	-	-
Dividend declared	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total transactions with owners	49	-	-	-	49	-	49
At 31 March 2011	40,332	100	1,007	1,515	44,603	-	53,090

This Statement should be read in conjunction with the selected explanatory notes on Schedule VI & VII of this Report and the Group's audited financial statements for the year ended 31 December 2011.

Schedule VI : Selected Explanatory Notes Pursuant to FRS 134

1. Accounting Policies and method of computation

The quarterly financial statements have been prepared in accordance with Financial Reporting Standard (FRS) 134 : Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia.

The accounting policies and methods of computation adopted by the Group for the interim financial report are consistent with those adopted in the financial statements for the year ended 31 December 2011.

2. Auditors' report

The auditors' report of the preceding annual financial statements of the Company and of the Group was not subject to any qualification.

3. Comment on seasonality or cyclicity of operation

The Group's performance is normally not affected by seasonal or cyclical events on a year to year basis. However, on a quarter to quarter basis, the proceeds from chartering land-based transportation assets to the National Service program will vary according to the schedule determined by the National Service program.

4. Unusual items due to their nature, size or incidence

Except for a refurbishment and disposal of identified land-based transportation assets which generated a one-off profit on disposal amounting to RM719,421, there were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the quarter.

5. Significant estimates and changes in estimates

There were no significant estimates or changes in estimates that have had any material effect on the results of the current quarter.

6. Issuance or repayments of debt/equity securities

There have been no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the current financial quarter except for the issuance of 80,000 new ordinary shares of RM0.40 each, pursuant to a conversion of 80,000 units of warrants 2003/2013 at the exercise price of RM0.40 each, and the issuance of 10,000,000 new ordinary shares of RM0.40 each, pursuant to a private placement at an issue price of RM0.61 each (completed on 23 February 2012).

7. Dividends paid

A third interim single tier dividend of 1 sen for the financial period ended 31 December 2011 was declared on 15 December 2011, and was paid on 5 January 2012.

A first interim single tier dividend of 1 sen for the financial period ending 31 December 2012 was declared on 24 April 2012, and will be paid on 4 June 2012.

8. Segmental results

For management purposes, the Group's operating businesses are organised according to services, namely chartering of land-based transportation assets and specialty vehicles, investment holding and property rental/ others. Segment performance is evaluated based on operating profit. Inter-segment transactions and pricing arrangements where applicable, are determined on a commercial basis.

However currently, almost 100% of revenues and operating profits from Continuing Operations are generated from the chartering of land-based transportation assets and vehicles, and the incomes from property rental are not significant.

Schedule VI : Selected Explanatory Notes Pursuant to FRS 134 (cont'd)

9. Valuation of property, plant and equipment
There were no changes in the valuation on property, plant and equipment since the last annual financial statements.
10. Subsequent events
The Company had on 23 March 2012 entered into a Share Purchase Agreement (“**SPA**”) to dispose of 3,000,000 ordinary shares in Gunung Biofuel Sdn Bhd (“**GBSB**”), representing 100% of the total issued and paid-up share capital in GBSB at a price of RM2,310,000 or RM0.77 per share to Best Time Venture Sdn Bhd (“**Purchaser**”). The Purchaser will also assume, and immediately repay specific liabilities of GBSB due to Gunung amounting to RM847,815 and due to Gunung Resources Sdn Bhd (“**GRSB**”), a 100% owned subsidiary of Gunung, amounting to RM775,693. The cash proceeds from this transaction total RM3,933,508 (“**the Proposed Disposal**”).
- The Proposed Disposal was completed on 6 April 2012, and pursuant to the completion, GBSB ceased to be a subsidiary of the Company.
11. Changes in the composition of the Group
There were no changes in the composition of the Group during the financial quarter except for on 30 March 2012, GPB Corporation Sdn Bhd, a 100% owned subsidiary of the Company, had subscribed for 150,000 new ordinary shares of RM1.00 each in Bas Raykat Sdn Bhd (“**BRSB**”) for a cash consideration of RM150,000, which was funded from GPB’s internal cash-flow. The equity stake of GPB in BRSB remains unchanged at 75% after the Increase in share capital.
- BRSB principal business is chartering of, and operating of, passenger transportation assets, namely public bus services. On 3 November 2010, BRSB entered into a contract with the State Government of Perak for BRSB to operate a public bus service in the district of Manjung, state of Perak, with eighteen (18) units of new buses covering seven (7) routes identified by the State Government of Perak for seven (7) years (“**Contract**”). BRSB commenced operations pursuant to the Contract on 1 August 2011.
- The Increase in share capital is to provide funds for the working capital requirements of BRSB, and is expected to be fully utilized within the next six (6) months. The Increase in share capital does not have any effect on the issued and paid-up capital of the Company and substantial shareholders’ shareholdings in the Company. The Increase in share capital will not have any material effect on the consolidated earnings and net assets per share of the Company for the financial year ending 31 December 2012.
12. Contingent liabilities
There were no contingent liabilities of a material nature since the last annual balance sheet date.
13. Contingent assets
There were no contingent assets of a material nature since the last annual balance sheet date.
14. Capital commitments
There are no outstanding capital commitments at the end of the current quarter.

Schedule VI : Selected Explanatory Notes Pursuant to FRS 134 (cont'd)

15. Significant related party transactions

The following are significant related party transactions:-

RM'000	1 st Quarter	
	2012	2011
Charter of vehicles	1,260	1,260

The above transactions had been entered into in the ordinary course of business on normal commercial terms. These transactions are within the ambit of the mandate approved by the shareholders of the Company on 12 September 2011.

Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements

1. Operations review

Current Quarter vs Corresponding Quarter last year

Group revenue for Q1 was higher against that of last year, up 25%, as revenue was effectively boosted by a total of 3 months of revenue from the contract with the Ministry of Defence (only 2.5 months of contract proceeds in the corresponding quarter last year) due to the re-scheduling of the National Service program. The re-scheduling will have no effect on the total number of operating months within one year, remaining the same at nine months. Other contributions to revenue in the current quarter were derived from the mobile clinic service in Segamat, Johor, the provision of a city-bus transportation service in Manjung, Perak, and the charter of 10 units of mini ambulances of which all commenced operations after the corresponding quarter last year.

Group operating profit grew 62% against corresponding quarter last year. This was mainly due to the additional 0.5 months of operational revenue from the contract with the Ministry of Defence as described above, combined with the management's committed efforts in reducing operational costs in Q1. In addition, the operating profit derived from the chartering of a fleet of vehicles under subsidiary Gunung Resources Sdn Bhd, a mobile clinic service in Segamat, Johor, and an 18 unit city bus service in Manjung, Perak, all contributed to a higher Group operating profit.

2. Comment on material change in profit before taxation vs preceding quarter

Group PBT for the quarter amounted to approximately RM6.8 million which was 56% higher than the preceding quarter, due to an additional 0.5 months of operational revenue from the contract with the Ministry of Defence in Q1. Furthermore, one-off gain from the refurbishment and sale of three (3) units of mobile clinic specialty vehicles amounting to RM719,420, and a one-off forex gain derived from the purchase of an additional 20 units of coaches amounting to RM453,280, also contributed to PBT.

In addition, net profit attributable to equity holders of the Company jumped to RM5.2mil up 59% from the preceding quarter reflecting the as the full contribution/ consolidation of earnings from GPB Corporation Sdn Bhd ("GPB").

3. Prospects for the current financial year

The management's sustained effort and investment, to secure additional contracts in chartering land-based transportation assets and specialty vehicles, and to improve the operating efficiency is producing visible results.

The tenure of contracts, for chartering out land-based transportation assets, together with drivers, fuel, maintenance & repair costs, insurance costs and other operational costs, at a fixed monthly charter cost, are generally medium term in nature (2-5 years). This will continue to hedge against any short term adverse economic cycles that the Malaysian economy may face.

Barring any major negative external forces, we expect to expand our fleet size and broaden our earnings base with new chartering in financial year 2012.

The earnings contributions from the Ministry of Defence chartering contract (under the National Service program), a mobile clinic service in Segamat (Johor), chartering of city buses for a public transportation service in Manjung (Perak), chartering of mini mobile clinics, and chartering of a fleet of 252 vehicles, will continue throughout financial year 2012

Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

In addition, with subsidiary GPB Corporation Sdn Bhd (“GPB”) continuing to underpin earnings for the Group, profit attributable to the equity holders of the Group will improve in financial year 2012 as compared to financial year 2011, due to the Company increasing its equity stake in GPB to 100% in the 4th quarter of 2011..

4. Tax expense

The details of the tax expense are as follows:-

RM'000	<u>Current Quarter</u>
Current	1,602
Deferred tax	<u>5</u>
	<u>1,607</u>

5. Status of corporate proposal

There were no outstanding corporate proposals or new announcements (except those detailed in this financial report) made in the current financial quarter.

6. Group borrowings and debt securities

The details of the Group's borrowings as at 31 March 2012 are as follows:-

RM'000	<u>Currency</u>	<u>Current</u>	<u>Non-Current</u>
Finance lease	RM	18,182	35,553
Short term bridging finance		<u>-</u>	<u>-</u>
		<u>18,182</u>	<u>35,553</u>

7. Pending material litigation

Save as disclosed below, there was no pending litigation of a material nature since the last balance sheet date.

Seal Polymer Industries Berhad (“Plaintiff”) vs. Gunung Resources Sdn Bhd (“Defendant”)

Gunung Resources Sdn Bhd (“GRSB”), a wholly owned subsidiary of the company, was served with a summons and statement of claim on 19 September 2006 by Seal Polymer Industries Berhad (“Plaintiff”) for allegedly failing to refund a sum of deposits of RM 928,000.00 paid by the Plaintiff to GRSB together with the interest pursuant to the Sales & Purchases Agreement dated 17 August 2004 for an intended purchase of one of GRSB's leasehold property that has lapsed.

On 25 October 2007, the High Court in Taiping allowed the Plaintiff's application for summary judgment for the refund of the 10% deposit paid by the Plaintiff to the Defendant together with interest/damages/costs. The company's solicitors filed an appeal to the Court Of Appeal against the decision and application for stay of execution of the summary judgment on grounds that there are many triable issues. GRSB had on 16 November 2007 received a notice pursuant to Section 218 of the Companies Act, 1965 (“the notice”) from the Plaintiff's solicitors. The company's solicitors had obtained an interim stay of execution of the Court Order dated 25 October 2007 until the hearing of the stay of execution application which was fixed on 21 January 2008.

Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

On 21 January 2008, the company's solicitors obtained a stay of all proceeding or execution by the Plaintiff against GR SB on the summary judgment dated 25 October 2007 until the decision of GR SB's appeal at the Court of appeal. GR SB has instructed its solicitors to apply to court to strike out the Notice for abuse of process as it is highly improper, irregular, void of merits and oppressive in nature and seek damages and losses suffered by GR SB from the Plaintiff in relation to the issuance of the Notice.

On 23 June 2008, the Plaintiff has applied to the High Court Judge for the order for stay of execution granted on 21 January 2008 to be set aside. On 11 December 2008 GR SB's application for stay of execution against summary judgment order dated 25 October 2007 was dismissed by the High Court Judge. GR SB instructed its solicitors to apply to the Court of Appeal for stay of execution by way of Notice of Motion. On 21 January 2009, the Court of Appeal ordered that any winding-up proceeding by the Plaintiff pursuant to the Taiping High Court Order dated 25 October 2007 will be stayed with immediate effect until the disposal of the Appeal before the Court of Appeal.

The Honorable Court of Appeal also ordered that sum of RM 928,000.00 to be deposited into a joint account with the Respondents' solicitors until the outcome of the Appeal before the Court of Appeal.

On 14 October 2009 the Honorable Court of Appeal set aside the Summary Judgment entered by the High Court of Taiping and instructed for the case to be reverted to the High Court of Taiping for a full hearing and ordered that the deposit of RM 928,000.00 to be refunded to GR SB.

The full hearing was held on 24th and 25th February 2011 at the Taiping High Court.

On 28 April 2011, the Taiping High Court ruled in favour of GR SB wherein GR SB was entitled to forfeit the deposit of RM 928,000 and the Honorable Judicial Commissioner also awarded costs. A Notice of Appeal has been filed by Seal Polymer Industries Berhad on 11 May 2011, however a date has not been set for the hearing of the Plaintiff's appeal.

8. Proposed Dividend
A first interim single tier dividend of 1 sen (2.5%) for the financial period ending 31 December 2012 was declared on 24 April 2012, and will be paid on 4 June 2012.

9. Basis of calculation of earnings per share (EPS)

(a) The basic EPS for the current quarter was computed by dividing the Group profit attributable to shareholders of the Company by the weighted average number of ordinary share in issue (net of treasury shares).

	<u>Current Quarter RM'000</u>
Group attributable profit to shareholders of the Company	<u>5,181</u>
Weighted average issued capital net of treasury shares	101,964
Earnings per share (sen)	5.1

Schedule VII : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

- (b) The diluted EPS for the current quarter was computed by dividing the Group profit attributable to shareholders, adjusted for the dilutive effects of the conversion of all the outstanding warrants of the Company into ordinary shares.

	Current Quarter RM'000
Group attributable profit to shareholders of the Company	5,181
Weighted average issued capital net of treasury shares	101,964
Adjustment for warrant conversion into ordinary shares	20,488
Adjusted weighted average issued capital net of treasury shares	122,452
Earnings per share (sen)	4.2

10. Disclosure of realised and unrealised portions of the revenue reserve

	2012 RM'000	1 st Quarter 2011 RM'000
Total revenue reserve of the Company and its subsidiaries		
Realised	15,428	4,985
Unrealised*	(2,188)	(1,821)
	13,240	3,164

* In respect of deferred tax recognized and fair value gain on financial assets in the statements of comprehensive income

10. Notes to the Condensed Consolidated Income Statement

PBT is arrived at after charging/(crediting) the following items:

	Current Quarter RM'000
(a) Other income	(9)
(b) Depreciation and amortisation	4,618
(c) Provision for doubtful debts	N/A
(d) Bad debts written off	N/A
(e) Provision for inventories	N/A
(f) Inventories written off	N/A
(g) (Gain)/Loss on disposal of quoted or unquoted investments	N/A

(h)	(Gain)/Loss on disposal of assets	(719)
(i)	Impairment of financial assets	261
(j)	Foreign exchange (Gain)/loss	(453)
(k)	Loss on derivatives	N/A
(l)	Unusual items	N/A