

MAJOR TEAM HOLDINGS BERHAD (567427-W)

UNAUDITED THIRD QUARTER REPORT ON CONSOLIDATED RESULTS CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Current Year Quarter 30/09/2012 RM'000	Preceding Year Corresponding Quarter 30/09/2011 RM'000	Current Year To Date 30/09/2012 RM'000	Preceding Year Corresponding Period 30/09/2011 RM'000
Revenue	1,945	1,396	4,599	8,258
Other Operating Income	141	276	209	644
Operating Expenses	(3,821)	(2,356)	(9,975)	(9,385)
Finance Cost	(288)	(294)	(856)	(859)
Loss before taxation	(2,023)	(978)	(6,023)	(1,342)
Taxation	-	-	-	-
Loss for the financial year	(2,023)	(978)	(6,023)	(1,342)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(2,023)	(978)	(6,023)	(1,342)
Loss for the financial year attributable to:				
Equity holders of the Company	(2,023)	(978)	(6,023)	(1,342)
Minority interests	-	-	-	-
Total comprehensive income attributable to:				
Equity holders of the Company	(2,023)	(978)	(6,023)	(1,342)
Minority interests	-	-	-	-
Loss per share (sen)				
Basic (sen)	(2.046)	(0.989)	(6.091)	(1.357)
Fully diluted (sen)	(2.046)	(0.989)	(6.091)	(1.357)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial report.

MAJOR TEAM HOLDINGS BERHAD (567427-W)

UNAUDITED THIRD QUARTER REPORT ON CONSOLIDATED RESULTS CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2012

	(Unaudited) As at end of current quarter 30/09/2012 RM'000	(Audited) As at preceding financial year end 31/12/2011 RM'000
ASSETS		
Non-Current Asset		
Property, plant and equipment	29,494	30,239
Current Assets		
Inventories	28,230	29,824
Trade receivables	7,736	8,442
Other receivables	2,151	2,861
Cash and bank balances	63	57
	<u>38,180</u>	<u>41,184</u>
TOTAL ASSETS	<u>67,674</u>	<u>71,423</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
SHARE CAPITAL	98,877	98,877
ACCUMULATED LOSSES	(67,909)	(61,886)
TOTAL EQUITY	<u>30,968</u>	<u>36,991</u>
Non-Current Liabilities		
Hire purchase payables	108	164
	<u>108</u>	<u>164</u>
Current Liabilities		
Amount owing to customers on contracts	838	980
Trade payables	5,174	2,840
Other payables	9,291	9,404
Hire purchase payables	67	72
Bank borrowings	18,919	18,663
Taxation	2,309	2,309
	<u>36,598</u>	<u>34,268</u>
Total Liabilities	<u>36,706</u>	<u>34,432</u>
TOTAL EQUITY AND LIABILITIES	<u>67,674</u>	<u>71,423</u>
	-	-
Net Assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.31</u>	<u>0.37</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial report.

MAJOR TEAM HOLDINGS BERHAD (567427-W)

UNAUDITED THIRD QUARTER REPORT ON CONSOLIDATED RESULTS CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

	<-----Attributable to Equity Holders of the Parent ----->				
	<---Distributable--->				
	Share Capital RM'000	Accumulated Losses RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
At 1 January 2011	98,877	(57,889)	40,988	-	40,988
Loss for the financial year	-	(1,342)	(1,342)	-	(1,342)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	(1,342)	(1,342)	-	(1,342)
At 30 September 2011	<u>98,877</u>	<u>(59,231)</u>	<u>39,646</u>	<u>-</u>	<u>39,646</u>
At 1 January 2012	98,877	(61,886)	36,991	-	36,991
Profit/(Loss) for the financial year	-	(6,023)	(6,023)	-	(6,023)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	(6,023)	(6,023)	-	(6,023)
At 30 September 2012	<u>98,877</u>	<u>(67,909)</u>	<u>30,968</u>	<u>-</u>	<u>30,968</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial report.

MAJOR TEAM HOLDINGS BERHAD (567427-W)

UNAUDITED THIRD QUARTER REPORT ON CONSOLIDATED RESULTS CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

	9 MONTHS ENDED 30/09/2012 RM'000	9 MONTHS ENDED 30/09/2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(6,130)	(1,342)
Adjustment for :-		
Depreciation and amortisation	842	1,136
Interest expenses	856	858
Gain on disposal of property, plant and equipment	(29)	(45)
Loss on deregistration of a subsidiary company	3	-
Bad debt written off	116	-
Operating (loss)/profit before working capital changes	<u>(4,342)</u>	<u>607</u>
(INCREASE)/DECREASE IN WORKING CAPITAL		
Inventories	1,594	396
Amount owing by customer on contracts	(142)	(986)
Receivables	1,227	(3,463)
Payables	2,924	4,177
Cash generated from operations	<u>1,261</u>	<u>731</u>
Interest paid	(856)	(858)
Net cash from/(used in) operating activities	<u>405</u>	<u>(127)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(97)	(40)
Proceed from disposal of property, plant and equipment	29	45
Net cash (used in)/from investing activities	<u>(68)</u>	<u>5</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decreased)/Increase in bill payable	(275)	179
Repayment of hire purchase payables	(62)	(77)
Net cash (used in)/from financing activities	<u>(337)</u>	<u>102</u>
Net decrease in cash and cash equivalents	-	(20)
Cash and cash equivalents at beginning of the financial period	(9,373)	(9,861)
Cash and cash equivalents at end of the financial period	<u>(9,373)</u>	<u>(9,881)</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	63	115
Bank overdraft	(9,436)	(9,996)
	<u>(9,373)</u>	<u>(9,881)</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial report.

MAJOR TEAM HOLDINGS BERHAD (567427-W)
QUARTERLY REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2012

SECTION A - NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirement of MFRS 134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Board.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st December 2011.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31st December 2011.

A2. Adoption of New/Revised Financial Reporting Standards

These condensed interim financial statements are the Group's first MFRS condensed interim financial statements for the part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 December 2012. MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards (MFRS 1) has been applied.

The transition from FRS to MFRS does not have any material impact on the interim financial statements of the Group.

The audited financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these condensed interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2011.

As at 30 September 2012, the following MFRS were in issue but not yet effective and have not been applied by the Group:

Effective date for financial periods beginning on or after 1 July 2012

Amendments to
MFRS 101

Presentation of items of Other Comprehensive Income

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Effective date for financial periods beginning on or after 1 January 2013

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits
MFRS 127	Separate Financial Statements (IAS 27 as amended by IASB in June 2011)
MFRS 128	Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in June 2011)
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Amendments to MFRS 7	Disclosures-Offsetting Financial Assets and Financial Liabilities
Annual Improvements 2009–2011 Cycle	
Amendments to MFRS10, MFRS 11 and MFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
Amendments to MFRS 1	Governments Loans
MFRS 3	Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)
MFRS 127	Consolidated and Separate Financial Statements (IAS 27 Consolidated and Separate Financial Statements revised by IASB in December 2003)

Effective date for financial periods beginning on or after 1 January 2014

Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities
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Effective date for financial periods beginning on or after 1 January 2015

MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009)
	Financial Instruments (IFRS 9 issued by IASB in October 2010)

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31st December 2011 was not qualified.

A4. Seasonal or Cyclical Factors

The operations of the Group during the quarter have not been affected by any material seasonal or cyclical factors.

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A5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter under review because of their nature, size or incidence.

A6. Changes in Estimates

There were no changes in estimates of amounts reported in prior financial year/quarter which have a material effect in the current quarter results.

A7. Debt and Equity Securities

There have been no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasure shares and resale of treasury shares during the current quarter under review.

A8. Dividends Paid

No interim dividend has been paid or declared during the current quarter under review.

A9. Segmental Reporting

No other segmental information such as segment assets, segment liabilities and segment results is presented as the Group is principally involved in the dimension stone industry and operates from Malaysia only.

A10. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual financial statements.

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

A11. Changes in Composition of the Group

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

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A12. Changes in Contingent Liabilities and Contingent Assets

	30.09.2012	30.09.2011
	RM'000	RM'000
Secured		
Banker's guarantees in favour of the local authorities for the purpose of construction contracts	230	230

There were no contingent assets as at the date of this interim financial report.

A13. Discontinued Operations

There were no discontinued operations events during the current quarter/period to date under review.

A14. Capital Commitment

There was no capital commitment as at the date of this interim financial report.

A15. Material events subsequent to the end of the current financial period

In the opinion of the Directors, there are no items, transactions or events of a material and unusual nature which have arisen from 30 September 2012 to the date of this announcement, which would substantially affect the financial results of the Group for the current quarter/period to date.

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QUARTERLY REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2012

**SECTION B - ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S
LISTING REQUIREMENTS**

B1. Review of Performance of the Company and its Principal Subsidiaries

For the current quarter under review, the Group revenue was higher by RM0.549 million (39%) compared to the corresponding quarter last year mainly due to improvement in retail sales and revenue from projects. The Group incurred a loss before taxation of RM2.023 million for the current quarter compared to a loss before taxation of RM0.978 million in the corresponding quarter last year mainly due to higher operational cost incurred.

B2. Variation of Results Against Preceding Quarter

Group revenue for the current quarter of RM1.945 million was higher by RM0.674 million (53%) compared to RM1.271 million in the preceding quarter, mainly due to additional revenue from warehouse sales resulting in lower loss before taxation for current quarter of RM2.023 million compared to a loss of RM2.150 million in the preceding quarter

B3. Prospects Commentary

In view of the current competitive market conditions, particularly cheaper imports from China, the Group's prospects remain very challenging.

B4. Profit Forecast and Profit Guarantee

The Group has not issued any profit forecast to the public and has not given any profit guarantee for the financial period.

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B5. Taxation

No provision for current taxation has been made in the financial statements of the Group due to tax loss in the financial period ended 30 September 2012.

B6. Status of Corporate Proposal Announced

There were no corporate proposals during the current quarter under review.

B7. Group Borrowings

The Group borrowings as at the end of the reporting quarter are as follows:

	<u>Total</u> <u>Outstanding</u> RM'000	<u>Repayable within</u> <u>12 months</u> RM'000	<u>Repayable after</u> <u>12 months</u> RM'000
<u>Secured</u>			
Bank overdraft	9,436	9,436	-
Bills payable	9,483	9,483	-
	18,919	18,919	-

The group borrowings are with a local financial institution and denominated in Ringgit Malaysia.

B8. Material Litigation

The Group is not involved in any material litigation as at the date of this interim financial report, which has a material effect on the financial position of the Group.

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B9. Dividend Payable

No interim dividend has been declared as at the date of this interim financial report.

B10. Basic and Fully diluted Loss per Share

The calculation of basic earnings per share is based on the consolidated loss after taxation and minority interest for the current quarter/period to date of RM2.023 million/RM6.023 million divided by the weighted average number of 98,877,380 shares (30 September 2011: RM0.978 million/RM1.342 million and 98,877,380 shares).

The calculation of fully diluted loss per share is based on the consolidated loss after taxation and minority interest for the current quarter/period to date of RM2.023 million/RM6.023 million divided by the adjusted weighted average number of 98,877,380 shares (30 September 2011: RM0.978 million/RM1.342 million and 98,877,380 shares).

B11. Realised and Unrealised Profits/Losses Disclosure

	Current year todate 30 September 2012 RM'000	Current year todate 30 September 2011 RM'000
Accumulated losses of the Company and its subsidiaries		
- Realised	(87,115)	(78,437)
- Unrealised	-	-
	<u>(87,115)</u>	<u>(78,437)</u>
Less: Consolidated adjustments	19,206	19,206
Total accumulated losses as per consolidated accounts	<u>(67,909)</u>	<u>(59,231)</u>

The disclosure of realised and unrealised profits/losses above is solely for compliance with the directive issue by the Bursa Malaysia Securities Berhad and should not be used for any other purpose.

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B12. Notes to the Condensed Consolidated Statement of Comprehensive Income

Loss before tax is derived after charging/(crediting):

	Current year Quarter 30 September 2012 RM'000	Current year to date 30 September 2012 RM'000
Interest income	Not applicable	Not applicable
Other income	141	209
Interest expense	288	856
Depreciation and amortisation	280	842
Allowance for impairment of trade receivables	Not applicable	Not applicable
Bad debts written off	116	116
Inventories written off	Not applicable	Not applicable
(Gain)/Loss on disposal of quoted or unquoted investments or properties	3	3
Impairment of assets	Not applicable	Not applicable
Foreign exchange gain or loss	Not applicable	Not applicable
Gain or loss on derivatives	Not applicable	Not applicable
Exceptional items	Not applicable	Not applicable

By Order of the Board of Directors

Company Secretary
29th November 2012