

INTERIM FINANCIAL STATEMENTS FOR THE FORTH QUARTER ENDED 31 DECEMBER 2010

Unaudited Condensed Consolidated Statement of Comprehensive Income

	3 MONTHS ENDED		CUMULATIVE 12 MONTHS ENDED	
	CURRENT YEAR QUARTER ENDED 31/12/2010 RM'000 (Unaudited)	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2009 RM'000 (Unaudited)	CURRENT YEAR TO DATE 31/12/2010 # RM'000 (Unaudited)	PRECEDING YEAR TO DATE 31/12/2009 * RM'000 (Unaudited)
Revenue	56,707	N/A	280,196	N/A
Operating expenses	(45,418)	N/A	(243,974)	N/A
Other operating income	287	N/A	1,316	N/A
Profit from operations	11,576	N/A	37,538	N/A
Finance costs	(498)	N/A	(2,441)	N/A
Profit before taxation	11,078	N/A	35,097	N/A
Taxation	(754)	N/A	(6,168)	N/A
Profit for the financial period	10,324	N/A	28,929	N/A
Other comprehensive income/(loss), net of tax				
Foreign currency translation differences for foreign operations	932	N/A	(4,680)	N/A
Total comprehensive income for the period	11,256	N/A	24,249	N/A
Profit attributable to:				
Equity holders of the parent	10,324	N/A	28,929	N/A
Minority interest	-	N/A	-	N/A
	10,324	N/A	28,929	N/A
Total comprehensive income attributable to:				
Equity holders of the parent	11,256	N/A	24,249	N/A
Minority interest	-	N/A	-	N/A
	11,256	N/A	24,249	N/A
Profit per ordinary share (sen):				
- Basic	0.64	N/A	2.77	N/A
- Diluted	N/A	N/A	N/A	N/A

This statement should be read in conjunction with the notes to this report.

Following the reverse acquisition, the forth quarter and current year to date results are prepared using reverse acquisition method of accounting.

* No comparative figures are presented following the reverse acquisition of Sinotop Holdings Berhad ("Sinotop") by Be Top Group Limited ("Be Top Group") as explained in Paragraph A2(i) to the interim financial report.

INTERIM FINANCIAL STATEMENTS FOR THE FORTH QUARTER ENDED 31 DECEMBER 2010

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT FINANCIAL YEAR ENDED 31/12/2010 RM'000 UNAUDITED	AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/09 # RM'000 AUDITED
ASSETS		
Non-current assets		
Property, Plant and Equipment	54,977	56,298
Land use rights	5,846	6,430
	<u>60,823</u>	<u>62,728</u>
Current Assets		
Land use rights	130	139
Inventories	16,380	7,883
Trade and other receivables	80,414	66,131
Cash and cash equivalents	26,743	11,894
	<u>123,667</u>	<u>86,047</u>
Total assets	<u>184,490</u>	<u>148,775</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	394,899	1
Statutory reserve	13,441	9,337
Reverse take over reserve	(328,124)	-
Foreign currency translation reserve	(2,966)	1,714
Retained profits	69,826	45,001
Total equity	<u>147,076</u>	<u>56,053</u>
Non-current liabilities		
Interest-bearing liabilities	-	20
Total non-current liabilities	<u>-</u>	<u>20</u>
Current Liabilities		
Trade and other payables	19,672	22,760
Interest-bearing liabilities	17,082	47,750
Amount owing to related parties	-	19,965
Income tax payable	660	2,227
Total current liabilities	<u>37,414</u>	<u>92,702</u>
Total liabilities	<u>37,414</u>	<u>92,722</u>
Total equity and liabilities	<u>184,490</u>	<u>148,775</u>
Net assets per share (RM)	<u>0.07</u>	<u>0.03 @</u>

This statement should be read in conjunction with the notes to this report.

The latest audited statement of financial position of Be Top Group as at 31 December 2009 has been presented as the comparative statement of financial position, following the reverse acquisition of Sinotop by Be Top Group as explained in Paragraph A2(ii) to the interim financial report.

@ The net assets per share as at 31 December 2009 is computed on the assumption that the reverse acquisition of Sinotop by Be Top Group had been completed as of that date, and on the assumption that the Convertibles A has been converted into ordinary shares as of that date. The denominator used to compute the net assets is 1,671,333,255 ordinary shares of RM0.20 each, based on the shares issued to acquire Be Top Group and the shares arising from the conversion of Convertibles A.

INTERIM FINANCIAL STATEMENTS FOR THE FORTH QUARTER ENDED 31 DECEMBER 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	AS AT FINANCIAL YEAR ENDED 31/12/2010 # RM'000 UNAUDITED	AS AT FINANCIAL YEAR ENDED 31/12/2009 * RM'000 UNAUDITED
OPERATING ACTIVITIES		
Profit before taxation	35,097	N/A
Non-cash items	15,483	N/A
Non-operating items - interest expenses	2,155	N/A
- interest income	(253)	N/A
Changes in working capital	(25,782)	N/A
Cash generated from operations	26,700	N/A
Interest paid on borrowing	(2,155)	N/A
Tax paid (net)	(7,778)	N/A
Net cash generated from operating activities	16,767	N/A
INVESTING ACTIVITIES		
Capital expenditure	(9,119)	N/A
Interest received	253	N/A
Net cash used in investing activities	(8,866)	N/A
FINANCING ACTIVITIES		
Repayment of interest-bearing liabilities	(72,413)	N/A
Drawdown of interest-bearing liabilities	41,725	N/A
Repayment to related parties	(19,965)	N/A
Cash outflow on reverse acquisition of legal parent	(2,836)	N/A
Proceeds from rights issue	60,632	N/A
Net cash generated from financing activities	7,143	N/A
Net increase in cash and cash equivalents	15,044	N/A
Foreign exchange translation differences	(195)	N/A
Cash and cash equivalents at beginning of the year	11,894	N/A
Cash and cash equivalents at end of the year	26,743	N/A

Note :

() Denotes cash outflow

This statement should be read in conjunction with the notes to this report.

The cash flow statement for the current financial year is prepared by comparing the consolidated statement of financial position of current financial year with legal subsidiary's preceding year consolidated statement of financial position.

* No comparative figures are presented following the reverse acquisition of Sinotop Holdings Berhad ("Sinotop") by Be Top Group Limited ("Be Top Group") as explained in Paragraph A2(i) to the interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	< ----- Non distributable ----- >						Distributable Unappropriated Profits	Total Equity
	Share Capital	Convertibles A	Convertibles B	Reverse take-over reserve	Statutory reserve	Foreign currency translation reserves		
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000		
Balance at 1/1/10	1	-	-	-	9,337	1,714	45,001	56,053
Rights issue	60,632	-	-	-	-	-	-	60,632
Issuance of shares pursuant to acquisition of Be Top Group	156,056	172,069	65,104	-	-	-	-	393,229
Conversion of Convertibles A	172,069	(172,069)	-	-	-	-	-	-
Adjustment arising from reverse acquisition	6,141	-	-	(393,228)	-	-	-	(387,087)
Cancellation of Convertibles B	-	-	(65,104)	65,104	-	-	-	-
Total comprehensive income for the financial year	-	-	-	-	-	(4,680)	28,929	24,249
Transfer to statutory reserve	-	-	-	-	4,104	-	(4,104)	-
Balance at 31/12/10 (Unaudited)	394,899	-	-	(328,124)	13,441	(2,966)	69,826	147,076

This statement should be read in conjunction with the notes to this report.

Following the reverse acquisition, the statement of changes in equity for the current financial year will be the statement of changes in equity of the legal subsidiary.

SINOTOP HOLDINGS BERHAD

QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2010

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

A1. BASIS OF PREPARATION

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

The explanatory notes attached to the interim financial report 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 previous financial year ended 31 December 2009.

A2. SIGNIFICANT ACCOUNTING POLICIES

FRS 3 Business Combinations – Reverse Acquisition

On 9 September 2009, the Company entered into a Conditional SPA with the shareholders of Be Top Group to acquire the entire issued and paid-up share capital of Be Top Group for a total purchase consideration of RMB755.0 million (or RM393,229,168), based on an agreed exchange rate of RM1.00 : RMB1.92 (“Purchases Consideration”), which will be satisfied via the following:-

- (a) issuance of 780,281,000 new shares to Gifted Investments Limited (“GIL”) at an issue price of RM0.20 per share;
- (b) issuance of RM172,068,800 nominal value convertible bonds A (“Convertibles A”) to GIL which are convertible into 860,344,000 new Sinotop shares at a conversion price of RM0.20 per Convertible A; and
- (c) issuance of RM65,104,168 nominal value convertible bonds B (“Convertibles B”) to GIL which are convertible into 151,405,041 new Sinotop shares at a conversion price of RM0.43 per Convertible B.

In accordance with FRS Business Combinations, the aforementioned business combination between Sinotop and Be Top Group is treated as a reverse acquisition whereby for accounting purpose, the acquirer is Be Top Group and the acquiree is Sinotop.

A2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Under the reverse acquisition method of accounting, even though the consolidated financial statements of the combined entity are issued under the name of the legal holding company, i.e. Sinotop, the consolidated financial statements represents a continuation of the historical financial statements of the legal subsidiary, i.e. Be Top Group.

Accordingly:-

- (i) No comparative figures are presented for these statements as Be Top Group, a private limited company, did not make any interim financial reporting prior to the reverse acquisition.
- (ii) the latest audited Statement of Financial Position of Be Top Group 31 December 2009 has been presented as the comparative Statement of Financial Position; and
- (iii) the amount recognised as issued equity in the consolidated Statement of Financial Position shall be determined by adding the issued equity of Be Top Group (the legal subsidiary) immediately before the business combination to the cost of the combination determined. However, the share capital appearing in the consolidated Statement of Financial Position shall reflect the share capital of Sinotop (legal parent), including the shares issued by Sinotop to effect the combination and conversion of Convertibles A, of RM394,899,000.

A3. CHANGES IN ACCOUNTING POLICIES

The Group has adopted the following FRSs, Amendments to FRSs and Interpretations with effect from 1 January 2010:

- FRS 4 : Insurance Contracts
- FRS 7 : Financial Instruments: Disclosures
- FRS 8 : Operating Segments
- FRS 101 : Presentation of Financial Statements
- FRS 123 : Borrowing Costs
- 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 7, FRS 139 and IC Interpretation 9 : Improvements to Accounting for Financial Instruments
- Amendment to FRS 101 and FRS 132 : Puttable Financial Instruments and Obligations Arising on Liquidation
- Amendment to FRS 132 : Classification of Rights Issues and the Transitional Provision in Relation to Compound Instruments

A3. CHANGES IN ACCOUNTING POLICIES (CONT'D)

- 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
- Amendments to FRSs : Annual Improvements to FRSs (2009)

The adoption of the above FRSs, amendments and interpretations do not have any significant financial impact on the Group except as follows:

FRS 101, Presentation of Financial Statements

Prior to adoption of the revised FRS 101, the components of the financial statements presented consisted of a balance sheet, an income statement, a statement of a 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 statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements.

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 labeled 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.

The adoption of this revised standard will only impact the form and content of the presentation of the Group's financial statements.

A4. AUDITORS' REPORT

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

A5. SEASONAL OR CYCLICAL FACTORS

The Group has not experienced any significant seasonality during the financial period. Nevertheless, the management wishes to highlight that there are unusual substantial increase in raw material prices in current quarter due to shortage of cotton in domestic PRC and overseas. Raw materials in particular cotton, has increased by approximately 61% for the current financial quarter, which is significantly unusual compared to historical trends. This unusual increase in raw material prices has become one of the contributing factors which have negative impacts on the profitability of the Group resulting in the vendors for Be Top Group unable to meet profit guarantee of financial year 2010. Refer Paragraph B4 for further details.

A6. EXCEPTIONAL ITEMS

Not applicable.

A7. CHANGES IN ESTIMATES

Save for computation of goodwill and reverse takeover reserve as disclosed herein in Paragraph B2 and B4 respectively, there were no changes to the estimates that had been used in the preparation of the current financial statements.

A8. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period under review.

A9. DIVIDEND

There were no dividends paid for the financial year ended 31 December 2010.

A10. SEGMENT INFORMATION

Information on business segments is not presented as the Group operates primarily in the manufacturing and sale of fabric products.

Revenue by geographical segment is based on the geographical location of the customers. As substantial amount of the Group's assets and liabilities are located in PRC and accordingly, no separated geographical segment for assets and liabilities has been presented for the financial period.

A10. SEGMENT INFORMATION (CONT'D)

Geographical Segments

The following table provides an analysis of the Group's revenue by geographical segments:

	Domestic The PRC RM'000	Overseas Outside the PRC RM'000
31 December 2010		
REVENUE		
External sales	269,614	10,582

The Group's revenue, based on customers' locations, is derived mainly from the PRC and other overseas countries.

A11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

Not applicable

A12. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

There are no material events subsequent to the end of the period reported on that have not been reflected in the financial statements for the said period made up to a date not earlier than 7 days from the date of issue of the quarterly report.

A13. CHANGES IN THE COMPOSITION OF THE GROUP

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

A14. CHANGES IN CONTINGENT LIABILITIES / ASSETS

- (i) There were no contingent liabilities as at the date of this announcement.
- (ii) There are no changes in contingent assets since the last annual financial statements.

A15. FOREIGN CURRENCY TRANSLATION

The translation of the condensed consolidated financial statements from RMB to RM is based on the following exchange rates:-

	As at financial year ended 31/12/2010	As at financial year ended 31/12/2009
Condensed consolidated statement of comprehensive income Based on average rates for the financial year RMB1.00 to RM	0.4751	N/A
Condensed consolidated statement of financial position Based on closing rates for the financial year RMB1.00 to RM	0.4662	0.5016

SINOTOP HOLDINGS BERHAD

QUARTERLY REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

PART B - EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE

The current quarter revenue of RM56.7 million and current cumulative quarter of RM280.2 million comprise the revenue from the manufacturing and sales of fabrics.

The Group recorded a profit before taxation of RM11.1 million and a profit before taxation of RM35.1 million for the current quarter and current cumulative quarter respectively.

There were no comparative figures in the preceding financial year as Be Top Group, a private limited company, did not make any interim financial reporting prior to the reverse acquisition as explained in Paragraph A2(i) to the interim financial report of the current quarter.

B2. MATERIAL CHANGE IN THE PROFIT BEFORE TAXATION FOR THE REPORTED QUARTER AS COMPARED TO THE IMMEDIATE PRECEDING QUARTER

Group profit before tax for the current quarter at RM11.1 million has improved by 341% as compared to the preceding quarter's loss before tax of RM4.6 million. The significantly improved results were mainly due to accounting adjustments made on the Group for preceding quarter, which includes among others impairment of goodwill, listing expenses and machineries write off.

The goodwill is in respect of Sinotop, and it arose from the reverse acquisition of Sinotop (legal parent) by Be Top Group (legal subsidiary). The goodwill is impaired immediately on completion of the reverse acquisition as Sinotop on its own has minimal operations. Goodwill was estimated to be RM15.5 million in the previous quarter, and this has been revised to RM9.0 million due to the expectation of the cancellation of Convertibles B as explained in Section B4 herein. Therefore, amount of impairment has been adjusted to reflect the revised goodwill in the current quarter.

B3. CURRENT YEAR PROSPECTS

After the injection of new assets/businesses, it is expected to provide a different source of future income to Sinotop. The principle activities of Sinotop Group is engaging in the production of customised woven loom-state fabrics made from cotton, synthetic and mixed yarn.

B4. EXPLANATORY NOTE FOR VARIANCE FROM PROFIT FORECAST OR PROFIT GUARANTEE

The Vendors for the Assets Injection (as defined in Paragraph B8 herein) have unconditionally and irrevocably represented and warranted that the audited consolidated PAT for Be Top Group for FYE 2010 shall not be less than RMB125 million (“Guaranteed Profit 2010”) which served as part of the basis in determining the purchase consideration for the Assets Injection. In the event that the Guaranteed Profit 2010 is not achieved, adjustment would be made against the Convertibles B (which were issued as part of the consideration for the acquisition of Be Top Group) on the following basis :-

- (a) In the event that the consolidated PAT for FYE 2010 is less than RMB110 million, then the Convertibles B shall be cancelled and extinguished in full immediately; and
- (b) In the event that the consolidated PAT for FYE 2010 is equal to or more than RMB110 million but less than Guaranteed Profit 2010, then half of the Convertibles B shall be cancelled and extinguished immediately.

Up to the current cumulative quarter ended 31 December 2010, the unaudited consolidated Profit After Tax (“PAT”) achieved by Be Top Group is approximately RMB81.1 million. This deviation from the Guaranteed Profit was mainly due to the following factors:-

- (i) Escalation of cotton prices in 2010
 - Prices of cotton have increased significantly by approximately 61% from September 2010 to December 2010.
 - Although Be Top Group intended to gradually pass on the increase in margin to their customers, such practice can only be implemented gradually in order to maintain good customer relationships.
- (ii) Reduced orders from customers
 - Customers of Be Top Group have reduced their orders from Be Top Group as many are adopting a “wait-and-see” policy in view of the rapid escalation of cotton prices.
 - In view of the increase in raw material costs, Be Top Group has implemented a more prudent strategy towards its customers’ orders and credit policies to minimise bad debts or defaults. Be Top Group has also maintained prudent by only accepting orders from reliable customers as well as delaying its business expansion plans.
 - All these prudent approaches have resulted in the reduction in revenue, which is one of the contributing factors to Be Top Group’s failure in meeting Guaranteed Profits 2010.

B4. EXPLANATORY NOTE FOR VARIANCE FROM PROFIT FORECAST OR PROFIT GUARANTEE (CONT'D)

(iii) Increase in cost of sales

- Gross profit margin of Be Top Group has decreased by approximately 2.3% from 21.9% in FYE 2009 to 19.6% in FYE 2010.
- The decrease in gross profit margin was mainly due to the increase in cost of sales. Cost of sales increased by approximately RMB9.2 million or 2.0% from RMB465.1 million in FYE 2009 to RMB474.3 million in FYE 2010 is mainly due to the rising cost of raw materials and staff costs. Cost of sales was also affected by the increase in Be Top Group's outsource-fee incurred due to a shorter timeframe given by its customers for the delivery of fabric ordered as well as orders for certain types of fabric requiring value-add (i.e. special designs and / or colours) that Be Top Group does not offer at present.
- Another contributing factor to the increase in cost of sales is the increase in staff costs. Staff costs and working environment in the Shanghai-Suzhou areas have been affected by the Government's initiative to encourage factory workers from rural districts to return to their own home towns by creating more job opportunities with better incentives in rural districts. Factories in more developed districts like Shanghai-Suzhou have been faced with the challenge of retaining existing factory workers, who are mostly from the rural districts of China. Hence, Be Top Group had increased wages in order to retain its factory workers.

(iv) Increase in administrative expenses

- As shown in Be Top Group's financial results, administrative expenses increased by approximately RMB7.6 million or 87.0% from RMB8.6 million in FYE 2009 to RMB16.2 million in FYE 2010. This was mainly due to a realised loss on foreign exchange of RMB2.0 million and an unrealised loss on foreign exchange of RMB0.4 million arising from the strengthening of RMB.
- The increase in administrative expenses was also due to a non-recurring property, plant and equipment written off of RMB3.6 million.

B4. EXPLANATORY NOTE FOR VARIANCE FROM PROFIT FORECAST OR PROFIT GUARANTEE (CONT'D)

(v) Delay in Be Top Group's business expansion plans

- In view that the timing of the launch of the Rights Issue coincide with the unexpected rapid escalation of cotton prices (second half of 2010), Be Top Group had to delay its business expansion plans, which included increasing its production capacity, in order to remain prudent.

In view of Be Top Group's PAT is approximately RM81.1 million, the audited consolidated PAT of Be Top Group of at least RM110 million is unlikely to be achieved, and thus the Convertibles B is expected to be cancelled. Therefore, the reverse takeover reserve and Convertibles B were adjusted accordingly to reflect the financial impact of the expected cancellation.

B5. TAXATION

	Current year quarter ended 31/12/2010 RM '000	Current year cumulative quarter ended 31/12/2010 RM '000
Tax on profit for the year	754	6,168

The effective tax rate is lower than the statutory rate was mainly due to the following:-

- (a) the subsidiary in the People's Republic of China ("PRC") is entitled to a 50% relief from the PRC enterprise income tax;
- (b) the subsidiary incorporated in The British Virgin Islands ("BVI") is not subject to any corporate tax; and
- (c) the holding company was in a tax loss position.

B6. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales of unquoted investments and/or properties by the Group during the financial period ended 31 December 2010.

B7. QUOTED SECURITIES

There were no purchases or disposal of quoted securities by the Group during the financial period ended 31 December 2010.

The Group does not have any investment in quoted shares as at the end of the financial period.

B8. STATUS OF CORPORATE PROPOSALS

The Corporate Proposals in respect of the acquisition of Be Top Group Limited and its subsidiary, namely Top Textile (Suzhou) Co. Ltd. (collectively referred to as the "Be Top Group") for a total consideration of RMB755.0 million (or RM393,229,168) ("Assets Injection") from Mr. Pan Ding and Mr. Pan Dong ("Vendors") and Renounceable Rights Issue on the basis of ten (10) right shares for every one (1) existing Sinotop Share held in Sinotop ("Rights Issue") were completed on 3 August 2010 with the listing of 1,114,152,518 new ordinary shares of RM0.20 each in Sinotop ("Sinotop Shares") which comprised 780,281,000 new Sinotop Shares to the party nominated by the Vendors, i.e. Gifted Investments Limited ("GIL") and 303,163,263 Rights Issue Shares.

It was also announced on 3 August 2010 that RM172,068,000 nominal value of 5% coupon Convertibles A at a conversion price of RM0.20 per Convertible A and RM65,104,168 nominal value of zero coupon Convertibles B at a conversion price of RM0.43 per Convertibles B had been issued to GIL.

Further details of the Asset Injection could be found under the Company's announcements released on 28 July 2009, 9 September 2009, 11 December 2009, 12 January 2010, 10 June 2010 and 3 August 2010.

The Company had on 8 November issued and allotted 860,344,000 new ordinary shares of RM0.20 each in the Company at an issue price of RM0.20 each to GIL pursuant to a Notice of Conversion from the bondholder, GIL on 3 November 2010 for the conversion of the entire Convertibles A. Pursuant to the conversion, the total issued and paid-up capital of the Company is RM394,899,303.60 comprising 1,974,496,518 ordinary shares of RM0.20 each.

B8. STATUS OF CORPORATE PROPOSALS (CONT'D)

The utilisation of RM60.632 million raised from the Right Issue as at 31 December 2010 is as follows:-

Proposed Utilisation of Proceeds	Proposed Utilisation @	Actual Utilisation	Intended Time Frame for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Be Top Group's overall expansion and development plan which includes:-			2 years		
• Purchase of machineries	25,000	6,226		18,774	75
• Purchase of auxiliary equipment	1,500	1,500		-	-
• Expansion of sales and marketing network	1,500	-		1,500	100
• R&D expenditures	1,000	-		1,000	100
Construction of factory expenses	9,000	-	2 years	9,000	100
Working Capital	6,632	6,632	1 year	-	-
Repayment of bank borrowings	11,000	22,100*	1 year	(11,100)	(101)
Estimated Expenses	5,000	5,000 #	Immediate	-	-
TOTAL	60,632	41,458		19,174	32

* In view of the changes in market environment and review of interest rate in People's Republic of China, the Management has utilised additional RM11.1 million from the original allocation to purchase of machineries to repay additional bank borrowings. As such, bank borrowings have reduced by additional RM30.7 million as disclosed in Paragraph B9. The Board of Directors has taken note and subsequently rectified in the Board Meeting.

The actual utilisation for the estimated expenses is RM4.63 million, in which balance of RM0.37 utilised as working capital.

@ As per Abridged Prospectus dated 28 June 2010.

There were no corporate proposals announced or outstanding as at the date of this report.

B9. BORROWINGS

The Group's bank borrowings as at 31 December 2010 were as follows:-

	As at financial year ended 31/12/2010 RM '000	As at financial year ended 31/12/2009 RM '000
Interest-bearing liabilities (denominated in RMB):		
-Secured	12,401	27,866
-Unsecured	4,662	19,763
Hire purchase payables	19	121
	<u>17,082</u>	<u>47,750</u>

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There are no off balance sheet financial instruments as at the date of this announcement.

B11. CHANGES IN MATERIAL LITIGATION

The Group does not have any material litigation.

B12. PROPOSED DIVIDEND

The Board does not recommend the payment of any dividend for the financial year ended 31 December 2010.

B13. EARNINGS PER SHARE

	Current year quarter ended 31/12/2010 RM '000	Current year cumulative quarter 31/12/2010 RM '000
a) Basic earnings per share		
Net profit attributable to equity holders of the Company	10,324	28,929
Weighted average number of Ordinary Share	1,619,137	1,045,687
Basic earning per share (sen)	<u>0.64</u>	<u>2.77</u>

b) Diluted earnings per share

The Company does not have any diluted earnings per share

B14. DISCLOSURE OF REALISED AND UNREALISED PROFITS

On March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Securities Main market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the format required.

B14. DISCLOSURE OF REALISED AND UNREALISED PROFITS (CONT'D)

The breakdown of the retained profits of the group as at 31 December 2010, into realised and unrealised profits, pursuant to the directive, is as follows:-

	As at financial year ended 31/12/2010 RM '000	As at financial period ended 30/09/2010 RM '000
Total retained earnings of the Group		
- Realised	69,998	67,557
- Unrealised	(172)	(1,137)
	<hr/> 69,826	<hr/> 66,420
Less: Consolidation adjustments	<hr/> -	<hr/> (6,488)
Total retained earnings as per condensed consolidated statement of changes in equity	<hr/> 69,826	<hr/> 59,932

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.