

PARAGON UNION BERHAD (286457-V)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2011**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2011 (Unaudited) RM'000	Preceding Year Corresponding Quarter 31/03/2010 (Unaudited) RM'000	Current Year To Date 31/03/2011 (Unaudited) RM'000	Preceding Year To Date 31/03/2010 (Unaudited) RM'000
Revenue	14,807	12,020	14,807	12,020
Operating expenses	(13,718)	(11,913)	(13,718)	(11,913)
Other operating income	1	8	1	8
Profit from operations	1,091	115	1,091	115
Finance costs	(367)	(371)	(367)	(371)
Profit/(Loss) before exceptional item and taxation	723	(256)	723	(256)
Exceptional item	-	-	-	-
Profit/(Loss) before taxation	723	(256)	723	(256)
Taxation	-	-	-	-
Profit/(Loss) for the period	723	(256)	723	(256)
Attributable to :				
Equity holders of the parent	723	(256)	723	(256)
Minority interest	-	-	-	-
	723	(256)	723	(256)
Earnings/(Loss) per share (sen)				
- Basic	1.12	(0.40)	1.12	(0.40)
- Fully Diluted	-	-	-	-

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited Annual Financial Statement for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

PARAGON UNION BERHAD (286457-V)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2011

	As at End of Current Quarter 31/03/2011 (Unaudited) RM'000	As at Preceding Financial Year End 31/12/2010 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	35,182	35,753
Deferred Tax Asset	69	69
	35,251	35,822
Current Assets		
Inventories	19,273	18,743
Trade and Other Receivables	33,899	33,802
Current Tax Assets	738	712
Cash and Cash Equivalents	2,723	3,151
	56,633	56,409
TOTAL ASSETS	91,883	92,230
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Parent		
Share Capital	70,000	70,000
Reserves, non-distributable	640	661
Retained Profit	(6,813)	(7,558)
Treasury Shares, at cost	(4,221)	(4,221)
Total Equity	59,605	58,882
Non-Current Liabilities		
Deferred Tax Liabilities	1,563	1,563
Hire Purchase Liabilities	1,760	2,056
Bank Borrowings	3,835	4,093
	7,158	7,712
Current Liabilities		
Trade and Other Payables	6,415	7,822
Hire Purchase Liabilities	1,023	1,004
Bank Borrowings	17,276	16,404
Current Tax Liabilities	406	406
	25,120	25,636
TOTAL LIABILITIES	32,278	33,348
TOTAL EQUITY AND LIABILITIES	91,883	92,230
Net Assets Per Share (RM)	0.9213	0.9101

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited Annual Financial Statement for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

PARAGON UNION BERHAD (286457-V)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2011

	← Attributable to Equity Holders of the Parent →					
	Share Capital RM'000	Asset Valuation Reserve RM'000	Merger Reserve RM'000	Retained Profit RM'000	Treasury Shares RM'000	Total RM'000
Balance as at 1 January 2011	70,000	5,279	(4,618)	(7,558)	(4,221)	58,882
Realisation of reserve on amortisation of revalued properties, representing net gain/(loss) recognised directly in equity	-	(21)	-	21	-	-
Net profit for the period	-	-	-	723	-	723
Total recognised income and expense for the period	-	(21)	-	744	-	723
Dividend Paid	-	-	-	-	-	-
Shares purchased during the period held as treasury shares	-	-	-	-	-	-
Balance as at 31 March 2011	70,000	5,258	(4,618)	(6,814)	(4,221)	59,605
Balance as at 1 January 2010	70,000	5,361	(4,618)	(10,820)	(4,220)	55,703
Realisation of reserve on amortisation of revalued properties, representing net gain/(loss) recognised directly in equity	-	(21)	-	21	-	-
Net profit for the period	-	-	-	(256)	-	(256)
Total recognised income and expense for the period	-	(21)	-	(235)	-	(256)
Dividend Paid	-	-	-	-	-	-
Shares purchased during the period held as treasury shares	-	-	-	-	-	-
Balance as at 31 March 2010	70,000	5,340	(4,618)	(11,055)	(4,220)	55,447

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited Annual Financial Statement for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

PARAGON UNION BERHAD (286457-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 1ST QUARTER ENDED 31 MARCH 2011

	3 Months Period Ended 31.03.2011 (Unaudited) RM'000	3 Months Corresponding Period Ended 31.03.2010 (Unaudited) RM'000
Cash flows from operating activities		
Profit before taxation	723	(256)
Adjustments for:		
Depreciation on property, plant and equipment	647	666
Impairment for trade receivables	60	60
Interest expenses	367	371
Interest income	-	(1)
Operating profit before working capital changes	1,797	840
Changes in working capital:		
Inventories	(529)	(131)
Trade & other receivables	(156)	4,331
Trade & other payables	(1,407)	(1,463)
Cash from operations	(295)	3,577
Interest paid	(367)	(306)
Income tax paid	(26)	(31)
Net cash from operating activities	(688)	3,240
Cash flows from investing activities		
Interest received	-	1
Purchase of property, plant & equipment	(93)	(58)
Proceeds from disposal of property, plant and equipment	17	-
Net cash used in investing activities	(76)	(57)
Cash flows from financing activities		
Proceeds from bank borrowings	501	(151)
Repayments of hire purchase instalments	(277)	(375)
Net cash from / (used in) financing activities	224	(526)
Net changes in cash and cash equivalents	(540)	2,657
Cash and cash equivalent at beginning of period	(9,970)	(12,487)
Cash and cash equivalent at end of period	(10,510)	(9,830)
Cash and cash equivalents comprise the following:		
Cash and bank balances	2,723	2,159
Bank overdraft	(13,233)	(11,989)
Cash and cash equivalents at end of the period	(10,510)	(9,830)

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)