

**VITROX CORPORATION BERHAD**(Incorporated in Malaysia)  
Company No : 649966-K**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011  
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME***(The figures have not been audited)*

|  | Note | INDIVIDUAL QUARTER                               |   | CUMULATIVE QUARTER                               |  |
|--|------|--|---|--|--|
|  |      | Current period<br>quarter<br>31-Dec-11<br>RM'000 | Preceding year<br>corresponding<br>quarter<br>31-Dec-10<br>RM'000 | Current period<br>to date<br>31-Dec-11<br>RM'000 | Preceding year<br>corresponding<br>period<br>31-Dec-10<br>RM'000 |
| Revenue  |      | 12,326   | 23,403  | 79,203   | 87,609   |
| Other operating income   |      | 1,689  | 1,263   | 4,638  | 1,794  |
| Operating expenses   |      | (12,917)   | (16,135)  | (60,836)   | (56,856)   |
| Profit before tax  | B14  | 1,098  | 8,531   | 23,005   | 32,547   |
| Tax expense  |      | (345)  | (165)   | (779)  | (734)  |
| Net profit for the period  |      | 753  | 8,366   | 22,226   | 31,813   |
| Other comprehensive income:  |      |  |   |  |  |
| Currency translation of<br>differences for foreign operations                                  |      | 3  | 1   | 13   | (1)  |
| Other comprehensive income<br>for the period   |      | 3  | 1   | 13   | (1)  |
| Total comprehensive income<br>for the period   |      | 756  | 8,367   | 22,239   | 31,812   |
| Earnings Per Ordinary Share<br>attributable to ordinary equity<br>holders of the Company (sen) |      |  |   |  |  |
| - Basic *  |      | 0.33   | 3.66  | 9.61   | 13.92  |
| - Diluted  |      | N/A  | N/A   | N/A  | N/A  |

*\* Basis EPS is calculated based on the weighted average of ordinary shares has been adjusted for bonus issue retrospectively*

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

**VITROX CORPORATION BERHAD**(Incorporated in Malaysia)  
Company No : 649966-K**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011  
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION***(The figures have not been audited)*

|   | Unaudited as at<br>31-Dec-11<br>RM'000 | Audited as at<br>31-Dec-10<br>RM'000 |
|---|--|--------------------------------------|
| <b>ASSETS</b>   |  |                                      |
| <b>Non-current assets</b>   |  |                                      |
| Property, plant and equipment   | 27,918                                 | 13,412                               |
| Investment properties   | 600                                    | 600                                  |
| Investments in club membership - at cost  | 91                                     | 91                                   |
| Development expenditure   | 3,653                                  | 3,941                                |
|   | <u>32,262</u>                          | <u>18,044</u>                        |
| <b>Current assets</b>   |  |                                      |
| Assets held for sale  | 887                                    | 0                                    |
| Inventories   | 22,991                                 | 14,053                               |
| Trade and other receivables   | 21,599                                 | 18,134                               |
| Prepayments   | 1,213                                  | 311                                  |
| Current tax assets  | 63                                     | 21                                   |
| Cash and cash equivalents   | 42,739                                 | 43,403                               |
|   | <u>89,492</u>                          | <u>75,922</u>                        |
| <b>TOTAL ASSETS</b>   | <u>121,754</u>                         | <u>93,966</u>                        |
| <b>EQUITY AND LIABILITIES</b>   |  |                                      |
| <b>Capital and reserves attributable to equity holders of the Company</b>                     |  |                                      |
| Share capital   | 23,250                                 | 15,500                               |
| Less: Treasury shares, at cost  | (177)                                  | (1,022)                              |
| Reserves  | 73,893                                 | 61,806                               |
| <b>Total equity</b>   | <u>96,966</u>                          | <u>76,284</u>                        |
| <b>Non-current liabilities</b>  |  |                                      |
| Term loan – secured   | 8,493                                  | 0                                    |
| Deferred tax liabilities  | 850                                    | 450                                  |
| Deferred Income   | 823                                    | 523                                  |
| <b>Total non-current liabilities</b>  | <u>10,166</u>                          | <u>973</u>                           |
| <b>Current liabilities</b>  |  |                                      |
| Trade and other payables  | 10,925                                 | 11,275                               |
| Financial liabilities at fair value through profit or loss                                    | 323                                    | 0                                    |
| Advance payment from customers  | 925                                    | 696                                  |
| Term loan – secured   | 126                                    | 0                                    |
| Current tax liabilities   | 0                                      | 169                                  |
| Dividend payable  | 2,323                                  | 4,569                                |
| <b>Total current liabilities</b>  | <u>14,622</u>                          | <u>16,709</u>                        |
| <b>Total liabilities</b>  | <u>24,788</u>                          | <u>17,682</u>                        |
| <b>TOTAL EQUITY AND LIABILITIES</b>   | <u>121,754</u>                         | <u>93,966</u>                        |
| <b>Net assets value per share attributable to ordinary equity holders of the parent (sen)</b> | <u>41.75</u>                           | <u>33.39</u> *                       |

\* Net assets value per share is calculated based on the ordinary shares has been adjusted for bonus issue retrospectively

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

**VITROX CORPORATION BERHAD**(Incorporated in Malaysia)  
Company No : 649966-K**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY***(The figures have not been audited)*

|  | Share<br>Capital<br>RM'000 | Treasury<br>Share<br>RM'000 | Share<br>Premium<br>RM'000 | Currency<br>Translation<br>Reserve<br>RM'000 | Retained<br>Profits<br>RM'000 | Total<br>Equity<br>RM'000 |
|--|----------------------------|-----------------------------|----------------------------|--|-------------------------------|---------------------------|
| <b><u>Period ended 31 December 2011</u></b>  |                            |                             |                            |  |                               |                           |
| Balance as at 1 January 2011                 | 15,500                     | (1,022)                     | 1,222                      | (4)  | 60,588                        | 76,284                    |
| Bonus issue                                  | 7,750                      | 0                           | (1,222)                    | 0  | (6,528)                       | 0                         |
| Bonus issue expenses paid                    | 0                          | 0                           | 0                          | 0  | (92)                          | (92)                      |
| Purchase of own shares                       | 0                          | (427)                       | 0                          | 0  | 0                             | (427)                     |
| Reissue of treasury shares                   | 0                          | 1,272                       | 4,663                      | 0  | 0                             | 5,935                     |
| Dividends                                    | 0                          | 0                           | 0                          | 0  | (6,973)                       | (6,973)                   |
| Total comprehensive income<br>for the period | 0                          | 0                           | 0                          | 13   | 22,226                        | 22,239                    |
| Balance as at<br>31 December 2011            | <u>23,250</u>              | <u>(177)</u>                | <u>4,663</u>               | <u>9</u>                                     | <u>69,221</u>                 | <u>96,966</u>             |
| <b><u>Period ended 31 December 2010</u></b>  |                            |                             |                            |  |                               |                           |
| Balance as at 1 January 2010                 | 15,500                     | (853)                       | 1,222                      | (3)  | 33,344                        | 49,210                    |
| Purchase of own shares                       | 0                          | (169)                       | 0                          | 0  | 0                             | (169)                     |
| Dividends                                    | 0                          | 0                           | 0                          | 0  | (4,569)                       | (4,569)                   |
| Total comprehensive income<br>for the period | 0                          | 0                           | 0                          | (1)  | 31,813                        | 31,812                    |
| Balance as at<br>31 December 2010            | <u>15,500</u>              | <u>(1,022)</u>              | <u>1,222</u>               | <u>(4)</u>                                   | <u>60,588</u>                 | <u>76,284</u>             |

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

**VITROX CORPORATION BERHAD**(Incorporated in Malaysia)  
Company No : 649966-K**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011  
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS***(The figures have not been audited)*

|   | Period ended<br>31-Dec-11<br>RM'000 | Period ended<br>31-Dec-10<br>RM'000 |
|---|-------------------------------------|-------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                   |                                     |                                     |
| Profit before tax   | 23,005                              | 32,547                              |
| Adjustments for :   |                                     |                                     |
| Allowance for slow moving inventories   | 2,418                               | 1,089                               |
| Amortisation and depreciation   | 1,925                               | 1,850                               |
| Amortisation of deferred income   | (332)                               | (18)                                |
| Development expenditure written off   | 0                                   | 6                                   |
| Gain on disposal of property, plant and equipment                             | (11)                                | 0                                   |
| Impairment loss on loans and receivables                                      | 793                                 | 31                                  |
| Interest expenses   | 58                                  | 0                                   |
| Interest income   | (764)                               | (582)                               |
| Property, plant and equipment written off                                     | 0                                   | 3                                   |
| Reversal of allowance for slow moving inventories                             | (2,514)                             | 0                                   |
| Reversal of impairment loss on loans and receivables                          | (31)                                | (1)                                 |
| Unrealised loss on financial instruments at fair value through profit or loss | 323                                 | 0                                   |
| Unrealised (gain)/loss on foreign exchange                                    | (250)                               | 380                                 |
| Operating profit before working capital changes                               | 24,620                              | 35,305                              |
| Changes in:   |                                     |                                     |
| Inventories and receivables   | (13,415)                            | (23,883)                            |
| Payables and advance payments   | (121)                               | 9,025                               |
| Cash generated from operations  | 11,084                              | 20,447                              |
| Income tax refunded   | 43                                  | 412                                 |
| Income tax paid   | (633)                               | (366)                               |
| Net cash from operating activities  | 10,494                              | 20,493                              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                   |                                     |                                     |
| Additions of development expenditure  | (503)                               | (1,996)                             |
| Grant received  | 600                                 | 355                                 |
| Interest paid   | (38)                                | 0                                   |
| Interest received   | 764                                 | 610                                 |
| Proceed from disposal of property, plant and equipment                        | 11                                  | 4                                   |
| Purchase of property, plant and equipment                                     | (16,527)                            | (3,576)                             |
| Net cash used in investing activities   | (15,693)                            | (4,603)                             |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                   |                                     |                                     |
| Bonus issue expenses paid   | (92)                                | 0                                   |
| Dividend paid   | (9,219)                             | 0                                   |
| Purchase of own shares  | (427)                               | (169)                               |
| Reissue of treasury shares  | 5,935                               | 0                                   |
| Term loan raised  | 8,312                               | 0                                   |
| Net cash from/(used in) financing activities                                  | 4,509                               | (169)                               |
| Currency translation differences  | 26                                  | (1)                                 |
| Net (decrease)/increase in cash and cash equivalents                          | (664)                               | 15,720                              |
| Cash and cash equivalents at beginning of period                              | 43,403                              | 27,683                              |
| Cash and cash equivalents at end of period                                    | 42,739                              | 43,403                              |
| <u>Cash and cash equivalents consist of:</u>                                  |                                     |                                     |
| Highly liquid investments   | 12,327                              | 2,354                               |
| Term deposits with licensed banks   | 22,340                              | 38,522                              |
| Cash and bank balances  | 8,072                               | 2,527                               |
|   | 42,739                              | 43,403                              |

The Condensed Consolidated Statement of Cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statement.

**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011****A. NOTES TO THE INTERIM FINANCIAL REPORT****A1 Basis of preparation of Interim Financial Report**

The interim financial report is unaudited and has been prepared in compliance with FRS134, "Interim Financial Reporting", issued by the Malaysian Accounting Standards ("MASB") and the disclosure requirements as set out in Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the Main Market ("Main Market Listing Requirement").

The Interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2010. These 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 year ended 31 December 2010.

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted by the Group in the audited financial statements for the year ended 31 December 2010, except for the adoption of the following new Financial Reporting Standards ("FRS") and Issues Committee Interpretations ("IC Interpretations") effective for the financial period beginning on or after 1 July 2010 :-

| FRS   | Effective for financial periods beginning on or after |
|---|---|
| Amendments to FRS 1 Limited Exemption from Comparative FRS7 Disclosures for First-time Adopters | 1 January 2011  |
| Amendments to FRS 1 Additional Exemptions for First-time Adopters                               | 1 January 2011  |
| Amendments to FRS 2 Share-based Payment   | 1 July 2010   |
| Amendments to FRS 2 Group Cash-settled Share-based Payment Transactions                         | 1 January 2011  |
| Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations                | 1 July 2010   |
| Amendments to FRS 7 Improving Disclosure about Financial Instruments                            | 1 January 2011  |
| Amendments to FRS 138 Intangible Assets   | 1 July 2010   |
| Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives                          | 1 July 2010   |
| Amendments to FRSs contained in the document entitled "improvements to FRSs (2010)"             | 1 January 2011  |
| FRS 1 First-time Adoption of Financial Reporting Standards (revised in 2010)                    | 1 July 2010   |
| FRS 3 Business Combinations (revised in 2010)   | 1 July 2010   |
| FRS 127 Consolidated and Separate Financial Statements (revised in 2010)                        | 1 July 2010   |
| IC Interpretation 4 Determining whether an Arrangement contains a Lease                         | 1 January 2011  |
| IC Interpretation 12 Service Concession Arrangements  | 1 July 2010   |
| IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation                          | 1 July 2010   |
| IC Interpretation 17 Distributions of Non-cash Assets to Owners                                 | 1 July 2010   |
| IC Interpretation 18 Transfer of Assets from Customers  | 1 January 2011  |

The adoption of the new FRS and interpretation does not have significant impact on the financial statements.

**A2 Seasonal or cyclical factors**

The Group's operation is dependent on the cyclical trend of the semiconductors and electronics industries.

**A3 Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the period under review.

**A4 Material changes in estimates**

There were no changes in nature and amount of estimates reported in prior financial years which may have a material effect in the period under review.

**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011**

**A. NOTES TO THE INTERIM FINANCIAL REPORT (cont'd)**

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**A5 Debts and equity securities**

There were no other issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the quarter under review except for :-

During the current quarter, the Company purchased 230,000 of its issued share capital from open market for an average price of RM0.77 per share. As at 31 December 2011, the total shares purchase are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965 is 230,000 of its issued share capital from the open market for an average price of RM0.77 per share. The purchase transactions were funded by the internally generated funds.

**A6 Dividend paid**

No dividend was paid by the Company in the current quarter under review.

**A7 Segment reporting**

No segment reporting has been prepared as the Group is principally engaged in development and production of machine vision inspection products.

**A8 Valuation of property, plant and equipment**

The Group did not revalue any of its property, plant and equipment during the period under review or prior periods.

**A9 Valuation of investment properties**

In line with the adoption of the fair value model, the investment properties are stated at fair values which are assessed on yearly basis.

**A10 Material events subsequent to the end of the quarter**

There were no material events subsequent to the end of the current reporting period that have not been reflected in the financial statements for the said period.

**A11 Changes in the composition of the Group**

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

**A12 Contingent assets or contingent liabilities**

There were no contingent assets or liabilities for the Group since the previous financial year ended 31 December 2010 to the date of this report.

**A13 Capital commitments**

Authorised contracted capital commitments not provided for in the interim financial statements as at 31 December 2011 is RM269,159.

**A14 Significant related party transactions**

There were no significant related party transactions during the period under review.

**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011**  
**B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES**  
**MAIN MARKET LISTING REQUIREMENTS**

**B1 Review of performance**

The Group achieved revenue of RM12.33 million for the period under review against RM23.40 million in the corresponding period of preceding year, representing a decrease of 47%. The decrease in revenue against the same quarter last year was mainly due to reduction in sales from Machine Vision System (MVS), Automated Board Inspection (ABI) and Electronics Communication System (ECS). Sales from MVS, ABI and ECS have recorded a decrease of 58%, 34% and 73% respectively against the corresponding period of preceding year. The decrease in sales recorded is mainly due to slow down in semiconductor and electronics industry as a result of European financial debt crisis and sluggish US economy.

The Group achieved a profit before tax of RM1.10 million against profit before tax of RM8.53 million in the corresponding quarter, representing a decrease of 87%, mainly due to the decrease in sales. Correspondingly, the Group recorded a profit after tax of RM0.75 million against profit after tax of RM8.37 million in the corresponding quarter, representing a decrease of 91%.

**B2 Variation of results against immediate preceding quarter**

The Group recorded revenue and profit before tax of RM12.33 million and RM1.10 million respectively for the current quarter under review against revenue and profit before tax of RM18.10 million and RM6.55 million respectively for the immediate preceding quarter. These represent a decrease of 32% in revenue and 83% in profit against the revenue and profit of the immediate preceding quarter. The decrease in revenue and profit were attributed to decrease in sales recorded for MVS, ABI and ECS as a result of uncertainty in worldwide economy. Sales from MVS, ABI and ECS have recorded a decrease of 6%, 42% and 52% respectively against the immediate preceding quarter.

**B3 Prospects for the final quarter of current final year ending 31 December 2011**

Going into the new financial year, the Board expects to face a very challenging year ahead, particularly in the first half of FY2012 due to the slowdown in demand from the semiconductor and electronics industries as a result of global economy slowdown. In response to this, the Group has undertaken further cost control measures as well as prudent cash management in order to ensure sufficient resources are available for product innovation and market expansion activities. In FY2012, the Group will continue to stay focus in research and development on selected core and high value proposition products in order to remain in the forefront of the technologies and in preparation for the market upturn. In view of the continuing weak demand for the existing market, the Board expects to face a challenging new financial year for the Group.

**B4 Profit forecast, profit guarantee and internal targets**

The Group did not provide any profit forecast, profit guarantee and internal targets in any public document or any announcements made.

**B5 Income tax expenses**

|  | INDIVIDUAL QUARTER                             |   | CUMULATIVE QUARTER                               |  |
|--|--|---|--|--|
|  | Current year<br>quarter<br>31-Dec-11<br>RM'000 | Preceding year<br>corresponding<br>quarter<br>31-Dec-10<br>RM'000 | Current period<br>to date<br>31-Dec-11<br>RM'000 | Preceding year<br>corresponding<br>period<br>31-Dec-10<br>RM'000 |
| Income tax based on the results<br>for the period under review | 345  | 165   | 779  | 734  |

ViTrox Corporation Berhad ("VCB") is a MSC status company and enjoys pioneer status/tax exempt incentive for certain qualifying products granted by the Ministry of International Trade and Industry ("MITI") for a period of 5 years of pioneer status from Multimedia Development Corporation Sdn Bhd ("Mdec") and MITI. On 22 September 2010, VTSB has been granted another extension 5 years of pioneer status by MDec and MITI from 25 January 2010 to 25 January 2015.

**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011**  
**B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES**  
**MAIN MARKET LISTING REQUIREMENTS (cont'd)**

**B5 Income tax expenses (cont'd)**

A wholly-owned subsidiary of VCB, ViTrox Technologies Sdn.Bhd. ("VTSB") has been granted pioneer status by MITI for a period of 5 years for the development and production of digital automated vision inspection equipment and modules. The incentive commenced from 1 April 2005 to 31 March 2010 (extendable for further 5 years). The current provision of income tax is in respect of certain non-business income and non-tax exempted income generated from non-pioneer products of VTSB. On 29 July 2010, VTSB has been granted another extension 5 years of pioneer status by MITI from 1 April 2010 to 31 March 2015.

Another wholly-owned subsidiary of VCB, ViE Technologies Sdn.Bhd. ("ViE") has also been granted pioneer status by MITI for a period of 5 years to undertake activities relating to design, development and manufacture of printed circuit board assemblies for microprocessor applications. It is the intention of the Group that ViE will spearhead the production and sales of the ECS product. ViE has submitted an application to MITI for the determination of the pioneer status period and MITI has confirmed that the pioneer period would commence from 1 April 2007 to 31 March 2012.

**B6 Status of corporate proposals announced**

There was no corporate proposal announced and not completed as at the date of this report.

**B7 Group borrowings**

Group borrowings are as follows:-

|  | As at<br>31-Dec-11<br>RM'000 | As at<br>30-Sep-11<br>RM'000 |
|--|------------------------------|------------------------------|
| <b>Short-term borrowings – secured</b> |                              |                              |
| Foreign currency term loan in USD      | 126                          | 0                            |
| <b>Long-term borrowings – secured</b>  | 8,493                        | 4,325                        |
| Foreign currency term loan in USD      | <u>8,619</u>                 | <u>4,325</u>                 |

**B8 Financial instruments**

As at 31 December 2011, the outstanding forward foreign exchange contracts are as follows:-

| Type of derivative                 | Contract value<br>RM'000 | Fair value<br>RM'000 |
|------------------------------------|--------------------------|----------------------|
| Forward foreign exchange contracts |                          |                      |
| - Less than 1 year                 | <u>2,421</u>             | <u>(323)</u>         |

Foreign currency exchange contract is used as a hedging tool to minimise the Group's exposure to changes in fair value of its commitment, conducted in the ordinary course of business, as a result of fluctuation in exchange rate. There is minimal credit and market risk because the contracts are hedged with reputable banks.

Foreign currency exchange contract was recognised on the contract date, measured at fair value and the changes in the fair value have been recognised in profit or loss.



**VITROX CORPORATION BERHAD**

(Incorporated in Malaysia)  
Company No : 649966-K



**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011**  
**B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES**  
**MAIN MARKET LISTING REQUIREMENTS (cont'd)**

**B9 Breakdown of realised and unrealised profits or losses of the Group**

|   | As at<br>31-Dec-11<br>RM'000 | As at<br>30-Sep-11<br>RM'000 |
|---|------------------------------|------------------------------|
| Total retained profits of the Company and its subsidiaries: |                              |                              |
| - Realised  | 76,296                       | 76,455                       |
| - Unrealised  | (883)                        | 18                           |
|   | <u>75,413</u>                | <u>76,473</u>                |
| Less : Consolidation adjustments                            | (6,192)                      | (5,682)                      |
| Total group retained profits as per consolidated accounts   | <u>69,221</u>                | <u>70,791</u>                |

**B10 Material litigation**

As the date of this announcement, the Group is not engaged in any material litigation and the Board of Directors do not have any knowledge of any proceedings pending or threatened against the Group.

**B11 Dividends**

On 12 December 2011, the Company declared an interim tax exempt dividend of 1 sen per share amounting to RM2,322,700 for the financial year ended 31 December 2011 which was paid to all holders of ordinary shares on 18 January 2012 whose names appeared in the Record of Depositors at the close of business on 30 December 2011.

**B12 Earnings per share**

|   | INDIVIDUAL QUARTER                   |   | CUMULATIVE QUARTER                     |  |
|---|--------------------------------------|---|--|--|
|   | Current year<br>quarter<br>31-Dec-11 | Preceding year<br>corresponding<br>quarter<br>31-Dec-10 | Current period<br>to date<br>31-Dec-11 | Preceding year<br>corresponding<br>period<br>31-Dec-10 |
| Net profit attributable to shareholders (RM'000)  | 753                                  | 8,366   | 22,226                                 | 31,813   |
| Weighted average number of shares in issue ('000) | 231,393                              | 228,558   | 231,393                                | 228,558  |
| Basic earnings per share (sen)                    | <u>0.33</u>                          | <u>3.66</u>   | <u>9.61</u>                            | <u>13.92</u>   |

The weighted average number of ordinary shares has been adjusted for bonus issue retrospectively.

Diluted earnings per share have not been calculated as the Company does not have any dilutive potential shares.

**QUARTERLY REPORT ON RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011**  
**B. DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA SECURITIES**  
**MAIN MARKET LISTING REQUIREMENTS (cont'd)**

**B13 Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 31 December 2010 was not subject to any qualification.

**B14 Notes to the statement of comprehensive income**

**Profit Before Tax**

|   | INDIVIDUAL QUARTER                             |   | CUMULATIVE QUARTER                               |  |
|---|--|---|--|--|
|   | Current year<br>quarter<br>31-Dec-11<br>RM'000 | Preceding year<br>corresponding<br>quarter<br>31-Dec-10<br>RM'000 | Current period<br>to date<br>31-Dec-11<br>RM'000 | Preceding year<br>corresponding<br>period<br>31-Dec-10<br>RM'000 |
| Profit before tax is arrived<br>at after charging:-                   |  |   |  |  |
| Allowance for<br>slow moving inventories                              | 2,418  | 1,089   | 2,418  | 1,089  |
| Amortisation and depreciation   | 736  | 743   | 1,925  | 1,850  |
| Impairment loss on<br>loans and receivables                           | 793  | 31  | 793  | 31   |
| Interest expenses   | 42   | 0   | 58   | 0  |
| Loss on financial instruments at<br>fair value through profit or loss | 0  | 0   | 537  | 0  |
| Loss on foreign exchange  | 210  | 0   | 0  | 1,556  |
| and crediting:-   |  |   |  |  |
| Gain on disposal of<br>property, plant and equipment                  | 7  | 0   | 11   | 0  |
| Gain on financial instruments<br>at fair value through profit or loss | 165  | 0   | 32   | 0  |
| Gain on foreign exchange  | 0  | 5   | 992  | 18   |
| Interest income   | 241  | 162   | 764  | 582  |
| Reversal of allowance for<br>slow moving inventories                  | 2,514  | 0   | 2,514  | 0  |
| Reversal of impairment loss<br>on loans and receivables               | 0  | 1   | 31   | 1  |

Save as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Securities Main Market Listing Requirements are not applicable.

**B15 Authorisation for issue**

The interim financial statements are authorised for issue by the Board of Directors on 28 February 2012.