

**COMPUGATES HOLDINGS BERHAD**  
**(Company No. 669287 - H)**  
**(Incorporated in Malaysia)**  
**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE QUARTER ENDED 31 DECEMBER 2009**

The actual results of Compugates Holdings Berhad for the period ended 31 December 2009 are as follows:-

	NOTE	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER ENDED	CORRESPONDING QUARTER ENDED	CURRENT YEAR TO DATE	CORRESPONDING PERIOD ENDED
		31 DECEMBER 2009	31 DECEMBER 2008	31 DECEMBER 2009	31 DECEMBER 2008
		RM'000 (Unaudited )	RM'000 (Unaudited )	RM'000 (Unaudited )	RM'000 (Audited )
REVENUE		143,462	189,372	733,148	686,974
COST OF SALES		(142,893)	(186,698)	(726,496)	(677,674)
GROSS PROFIT		569	2,674	6,652	9,300
OTHER INCOME		3,044	2,262	10,677	9,153
SALES AND MARKETING EXPENSES		(94)	(281)	(1,182)	(3,084)
ADMINISTRATIVE EXPENSES		(3,701)	(2,083)	(13,044)	(11,453)
OTHER EXPENSES		(1,867)	(152)	(2,493)	(1,001)
FINANCE COSTS		(9)	(163)	(93)	(181)
(LOSS)/PROFIT FROM OPERATIONS		(2,058)	2,257	517	2,734
IMPAIRMENT OF GOODWILL ON CONSOLIDATION		(92,335)	(1,126)	(92,335)	(1,126)
(LOSS)/PROFIT BEFORE TAXATION		(94,393)	1,131	(91,818)	1,608
INCOME TAX EXPENSE	20	(110)	88	(1,669)	(1,375)
(LOSS)/PROFIT AFTER TAXATION		(94,503)	1,219	(93,487)	233
ATTRIBUTABLE TO:					
Equity holders of the parent		(94,251)	941	(93,835)	(240)
Minority interests		(252)	278	348	473
(LOSS)/PROFIT AFTER TAXATION		(94,503)	1,219	(93,487)	233
(LOSS)/EARNINGS PER SHARE (SEN)					
Basic on ordinary shares of:	28				
- RM0.10 each		(4.42)	0.04	(4.40)	(0.01)
Diluted	28	N/A	N/A	N/A	N/A

The unaudited Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**COMPUGATES HOLDINGS BERHAD**  
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**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**  
**AS AT 31 DECEMBER 2009**

	<u>Note</u>	<b>AS AT END OF CURRENT YEAR QUARTER ENDED 31 DEC 2009 RM'000 (Unaudited)</b>	<b>AS AT PRECEDING FINANCIAL YEAR ENDED 31 DEC 2008 RM'000 (Audited)</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment		11,365	9,157
Quoted investments, at cost	22	12,034	-
Prepaid land lease payment		10,761	9,322
Deferred tax asset		21	18
Goodwill on consolidation		35,991	114,558
		<u>70,172</u>	<u>133,055</u>
<b>CURRENT ASSETS</b>			
Inventories		26,034	17,924
Receivables		21,405	70,742
Tax refundable		62	1,628
Cash and cash equivalents		27,740	16,067
		<u>75,241</u>	<u>106,361</u>
<b>TOTAL ASSETS</b>		<u>145,413</u>	<u>239,416</u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		213,429	213,429
Revaluation reserve	10	883	-
Exchange fluctuation reserve		(196)	186
Accumulated losses		(107,332)	(13,497)
		<u>106,784</u>	<u>200,118</u>
<b>Minority interests</b>		<u>3,115</u>	<u>11,132</u>
<b>TOTAL EQUITY</b>		<u>109,899</u>	<u>211,250</u>
<b>NON-CURRENT AND DEFERRED LIABILITIES</b>			
Long term borrowing	24	-	86
Deferred taxation		649	412
		<u>649</u>	<u>498</u>
<b>CURRENT LIABILITIES</b>			
Payables		33,405	24,419
Amount owing to directors		253	-
Amount owing to shareholders of subsidiaries		141	38
Short-term borrowing	24	86	2,186
Provision for taxation		980	1,025
		<u>34,865</u>	<u>27,668</u>
<b>TOTAL LIABILITIES</b>		<u>35,514</u>	<u>28,166</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>145,413</u>	<u>239,416</u>
Net Assets per share (RM)			
On ordinary shares of:			
- RM0.10 each		0.05	0.09

The unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**COMPUGATES HOLDINGS BERHAD**  
**(Company No. 669287 - H)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 31 DECEMBER 2009**

Note	← Attributable to Equity Holders of the Parent →					Minority Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Revaluation Reserve RM'000	Exchange Fluctuation Reserve RM'000	Accumulated Losses RM'000	Total RM'000		
Balance as at 1 January 2008	213,429	-	(765)	(13,257)	199,407	10,595	210,002
Foreign currency translation, representing net expense recognised directly in equity	-	-	951	-	951	-	951
(Loss) / profit after taxation for the financial period	-	-	-	(240)	(240)	473	233
Total recognised income and expense for the financial period	-	-	951	(240)	711	473	1,184
Subscription of shares in subsidiaries	-	-	-	-	-	64	64
Balance as at 31 December 2008	<u>213,429</u>	<u>-</u>	<u>186</u>	<u>(13,497)</u>	<u>200,118</u>	<u>11,132</u>	<u>211,250</u>
Balance as at 1 January 2009	213,429	-	186	(13,497)	200,118	11,132	211,250
Foreign currency translation, representing net expense recognised directly in equity	-	-	(382)	-	(382)	-	(382)
Revaluation reserve recognised directly in equity	-	883	-	-	883	-	883
Payment of dividends to minority shareholders	-	-	-	-	-	(8,377)	(8,377)
Net effect of changes in subsidiaries' interest	-	-	-	-	-	12	12
Profit after taxation for the financial period	-	-	-	(93,835)	(93,835)	348	(93,487)
Total recognised income and expense for the financial period	-	883	(382)	(93,835)	(93,334)	(8,017)	(101,351)
Balance as at 31 December 2009	<u>213,429</u>	<u>883</u>	<u>(196)</u>	<u>(107,332)</u>	<u>106,784</u>	<u>3,115</u>	<u>109,899</u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD  
(Company No. 669287 - H)  
(Incorporated in Malaysia)  
UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE QUARTER ENDED 31 DECEMBER 2009

Note	CURRENT YEAR TO DATE 31 DECEMBER 2009 RM'000 (Unaudited)	CORRESPONDING PERIOD ENDED 31 DECEMBER 2008 RM'000 (Audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/profit before taxation	(91,818)	1,608
Adjustments for:-		
Non-cash items	94,735	1,788
Interest expense	90	176
Interest income	(432)	(580)
Operating profit before working capital changes	2,575	2,992
Increase in inventories	(8,714)	(1,886)
Decrease in receivables	48,266	1,194
Increase/(decrease) in payables	8,984	(3,588)
<b>Cash from/(for) operations</b>	51,111	(1,288)
Interest paid	(90)	(176)
Income tax (paid)/refunded	(174)	1,065
<b>NET CASH FROM / (FOR) OPERATING ACTIVITIES</b>	50,847	(399)
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	432	580
Purchase of property and equipment	(956)	(417)
Acquisition of subsidiary, net of cash acquired	13 (16,000)	-
Prepaid land lease payment	(87)	(9,322)
Investment in quoted shares	(12,684)	-
Sales proceed from disposal of quoted investment	688	-
Sales proceed from disposal of property and equipment	25	49
<b>NET CASH FOR INVESTING ACTIVITIES</b>	(28,582)	(9,110)
<b>CASH FLOWS (FOR) / FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares to minority interests	-	64
(Repayment)/Increase of bankers' acceptances	(2,074)	2,074
Advance from shareholders of a subsidiaries	103	38
Advances from directors	253	-
Dividend paid to minority interest	(8,377)	-
Repayment of hire purchase obligations	(112)	(37)
<b>NET CASH (FOR) / FROM FINANCING ACTIVITIES</b>	(10,207)	2,139
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	12,058	(7,370)
<b>EFFECTS OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>		
	(385)	933
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	16,067	22,504
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	27,740	16,067
<b>NOTES TO CASH FLOW STATEMENTS</b>		
Cash and cash equivalents comprise:		
Fixed deposits with licensed bank	14,874	9,372
Short term deposits with a licensed bank	5,890	-
Cash and bank balances	6,976	6,695
	27,740	16,067

The unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.