

**KNUSFORD BERHAD (380100-D)****Condensed consolidated balance sheet  
At 30 September 2009**

	<b>At 30 September 2009 RM'000</b>	<b>At 31 December 2008 RM'000</b>
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	48,242	49,306
Investment properties	26,406	22,223
Land held for property development	27,528	27,528
Deferred tax asset	142	142
	102,318	99,199
<b>Current Assets</b>		
Receivables, deposits and prepayments	69,860	49,768
Inventories	2,027	2,655
Property development cost	16,570	16,504
Tax recoverable	1,683	1,706
Cash and cash equivalents	22,341	29,097
	112,481	99,730
<b>TOTAL ASSETS</b>	<b>214,799</b>	<b>198,929</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	99,645	99,645
Reserves	68,090	64,661
<b>Total equity attributable to equity holders</b>	<b>167,735</b>	<b>164,306</b>
<b>Liabilities</b>		
Borrowings	2,095	2,221
Deferred tax liabilities	3,204	3,204
<b>Total non-current liabilities</b>	<b>5,299</b>	<b>5,425</b>
Payables and accruals	38,621	26,047
Borrowings	3,144	3,151
<b>Total current liabilities</b>	<b>41,765</b>	<b>29,198</b>
<b>Total Liabilities</b>	<b>47,064</b>	<b>34,623</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>214,799</b>	<b>198,929</b>
<b>Net assets per share (RM)</b>	<b>1.6833</b>	<b>1.6489</b>

**(The condensed consolidated balance sheet should be read in conjunction with the financial statements for the year ended 31 December 2008)**

## KNUSFORD BERHAD (380100-D)

### Condensed consolidated income statement

For the period ended 30 September 2009

	Current 3 months ended 30 September		Cumulative 9 months ended 30 September	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue	47,566	37,273	105,218	89,242
Cost of sales	<u>(42,710)</u>	<u>(35,058)</u>	<u>(93,659)</u>	<u>(82,256)</u>
Gross profit	4,856	2,215	11,559	6,986
Other income	357	626	907	2,502
Administrative expenses	(1,947)	(2,592)	(7,086)	(9,147)
Finance cost	(120)	(148)	(396)	(500)
Profit/(loss) before taxation	<u>3,146</u>	<u>101</u>	<u>4,984</u>	<u>(159)</u>
Taxation	(916)	75	(1,555)	(992)
Profit/(loss) after taxation	<u>2,230</u>	<u>176</u>	<u>3,429</u>	<u>(1,151)</u>
Attributable to				
Equity holders of the parent	2,230	176	3,429	(1,151)
Minority interest	-	-	-	-
	<u>2,230</u>	<u>176</u>	<u>3,429</u>	<u>(1,151)</u>
Earnings per share attributable to equity holders of the parent				
EPS - Basic (sen)	<u>2.24</u>	<u>0.18</u>	<u>3.44</u>	<u>-1.16</u>
EPS - Diluted (sen)	<u>2.24</u>	<u>0.18</u>	<u>3.44</u>	<u>(1.16)</u>

(The condensed consolidated income statement should be read in conjunction with the financial statements for the year ended 31 December 2008)

**KNUSFORD BERHAD (380100-D)****Condensed consolidated statement of changes in equity**

For the period ended 30 September 2009

	Attributable to the Equity Holders of the Parent			Total RM'000	Minority interest RM'000	Total Equity RM'000
	Non-distributable Share capital RM'000	Share premium RM'000	Distributable Retained profits RM'000			
At 1 January 2009	99,645	22,693	41,968	164,306	-	164,306
Issuance of share capital	-	-	-	-	-	-
Net profit/(loss) for the period	-	-	3,429	3,429	-	3,429
Dividends	-	-	-	-	-	-
At 30 September 2009	<u>99,645</u>	<u>22,693</u>	<u>45,397</u>	<u>167,735</u>	<u>-</u>	<u>167,735</u>
At 1 January 2008	99,645	22,693	44,515	166,853	-	166,853
Issuance of share capital	-	-	-	-	-	-
Net profit/(loss) for the period	-	-	(1,151)	(1,151)	-	(1,151)
Dividends	-	-	(737)	(737)	-	(737)
At 30 September 2008	<u>99,645</u>	<u>22,693</u>	<u>42,627</u>	<u>164,965</u>	<u>-</u>	<u>164,965</u>

(The condensed consolidated statements of changes in equity should be read in conjunction with the financial statements for the year ended 31 December 2008)

**KNUSFORD BERHAD (380100-D)****Condensed consolidated cash flow statement  
For the period ended 30 September 2009**

	30 September 2009 RM'000	30 September 2008 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	4,984	-159
Adjustments for:		
Depreciation on property, plant and equipment	5,740	6,318
Depreciation of investment property	341	314
Gain on disposal of property, plant and equipment	-106	-1,422
Inventories written-off	0	230
Interest expenses	396	500
Interest income	-335	-556
Property, plant and equipment written-off	87	21
	<u>11,107</u>	<u>5,246</u>
Changes in working capital		
Properties under development	-66	-1,198
Inventories	628	3,778
Receivables, deposits and prepayments	-20,093	-8,830
Payables and accruals	11,559	3,751
Cash generated from/(used in) operations	<u>3,135</u>	<u>2,747</u>
Income taxes (paid)/refunded	-518	-657
Net cash generated from/(used in) operating activities	<u>2,617</u>	<u>2,090</u>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	-5,450	-20,903
Acquisition of investment property	-4,523	0
Interest received	335	556
Deposits pledged with banks	-6,776	-25
Proceeds from disposal of property, plant and equipment	794	2,188
Net cash (used in)/generated from investing activities	<u>-15,620</u>	<u>-18,184</u>
<b>Cash flows from financing activities</b>		
Dividend paid	0	-737
Interest paid	-395	-500
(Repayment of)/proceeds from revolving credits	-300	-200
Proceeds/(repayment of) from finance lease liabilities	167	-1,917
Net cash used in financing activities	<u>-528</u>	<u>-3,354</u>
Net increase/(decrease) in cash and cash equivalents	-13,531	-19,448
Cash and cash equivalents at beginning of period	21,871	39,220
Cash and cash equivalents at end of period	<u>8,340</u>	<u>19,772</u>
Deposits with licensed banks (excluding deposits pledged)	5,860	14,695
Cash & bank balance	2,480	5,077
	<u>8,340</u>	<u>19,772</u>
Bank Overdraft	0	0
	<u>8,340</u>	<u>19,772</u>

(The condensed consolidated cash flow statement should be read in conjunction with the financial statements for the year ended 31 December 2008)

## **KNUSFORD BERHAD (380100-D)**

### **Notes to the interim financial report – 30 September 2009**

#### **A FRS 134 – Interim Financial Reporting**

##### **A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in compliance with Financial Reporting Standard (FRS) 134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements are to be read in conjunction with the audited financial statements for the year ended 31 December 2008. The accounting policies, method of computation and basis of consolidation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31 December 2008.

##### **A2 Auditors' report**

There is no qualification on the audited report of the Group's preceding annual financial statements.

##### **A3 Seasonal or cyclical factors**

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

##### **A4 Unusual items**

There were no unusual items for the period ended 30 September 2009.

##### **A5 Changes in estimates**

Not applicable.

##### **A6 Debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and nine months ended 30 September 2009.

##### **A7 Dividends paid**

No dividend was paid for the current quarter and nine months ended 30 September 2009.

##### **A8 Segmental information**

Segmental information is presented in respect of the Group's business segment. Inter-segment pricing is determined based on negotiated terms.

	<b>9 months ended 30 September 2009 Revenue RM '000</b>	<b>9 months ended 30 September 2008 Revenue RM '000</b>	<b>9 months ended 30 September 2009 Profit before tax RM '000</b>	<b>9 months ended 30 September 2008 Profit before tax RM '000</b>
Trading and services	89,297	96,666	2,436	132
Property development	2,123	618	178	(449)
Construction	34,736	-	2,785	-
Investment Property	891	885	95	292
	127,047	98,169	5,494	(25)
Inter-segment eliminations	(21,829)	(8,927)		
Unallocated income			335	556
Unallocated expenses			(845)	(690)
	105,218	89,242	4,984	(159)

#### **A9 Valuation of property, plant and equipment**

Valuation of property, plant and equipment has been brought forward, without amendment from the preceding annual financial statements.

#### **A10 Event subsequent to the balance sheet date**

There were no material events subsequent to the balance sheet date.

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

There are no changes in the composition of the Group for the quarter under review.

#### **A12 Changes in contingent liabilities**

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economics benefits will required or the amount is not capable of reliable measurement. Hence, there are no changes in contingent liabilities.

#### **A13 Significant Related Party Transactions**

The group has significant related party transactions with companies in which certain directors of the Company have interest, as follows:-

	<b>As at 30 September 2009 RM'000</b>
<b>With companies in which certain Directors of the Company, have interests:</b>	
Aramijaya Sdn Bhd	3,835
Danga Bay Sdn Bhd	8,924
Ekovest Construction Sdn Bhd	8,062
Pembinaan Sahabatjaya Sdn Bhd	7,498
Rampai Fokus Sdn Bhd	2,893
Viro M&E Sdn Bhd	4,197

## **B Bursa Malaysia listing requirements – Revised Part A of Appendix 9B**

### **B1 Review of performance for the period**

The Group recorded a turnover of RM105.218 million and a profit before tax of RM4.984 million for the 9 months ended 30 September 2009 as compared to a turnover of RM89.242 million and a loss before tax of RM0.159 million for the preceding year corresponding period. The increase in turnover was mainly due to the revenue generated by the construction division, whereas the increase in profit before tax was due to increase in contributions from the trading and services and construction divisions.

### **B2 Comparison with preceding quarter results**

For the quarter under review, the Group recorded a profit before taxation of RM3.146 million on a turnover of RM47.566 million as compared to a profit before taxation of RM1.162 million on a turnover of RM31.824 million for the preceding quarter. The profit for the quarter under review was due to increase in contributions from the trading and services and construction division.

### **B3 Prospects**

The outlook for the construction industry remains competitive and challenging which the group substantially relies on for its business activities. Based on the performance for the 9 months to 30 September 2009, the board is confident that the Group performance for the current financial year would be better than that of the previous financial year.

### **B4 Variance of actual profit from forecast profit / profit guarantee**

Not applicable.

### **B5 Taxation**

	<b>Current quarter ended 30 September 2009 RM '000</b>	<b>9 months ended 30 September 2009 RM '000</b>
Current provision	950	1,589
Over provision in respect of prior years	(36)	(36)
Under provision in respect of prior years	2	2
	<hr/>	<hr/>
	916	1,555

The Group's effective tax rate for the current quarter ended 30 September 2009 is higher than the prima facie tax rate mainly due to the losses incurred by certain subsidiaries and disallowable expenses.

### **B6 Unquoted investments and properties**

There were no profits on sale of unquoted investments and/or properties as there were no disposal of unquoted investment and/or properties for the current quarter and period ended 30 September 2009.

### **B7 Quoted securities**

There were no purchase or disposal of quoted securities for the current quarter and period ended 30 September 2009.

### **B8 Corporate proposals**

- (A) The company has implemented the following corporate exercise in the two (2) years preceding the date there of:-
- (i) An Employees' Share Option Scheme ("ESOS") for eligible employees and executive directors commencing 23 April 2003 and to be in force for a period of five (5) years. The said ESOS has expired on 22 April 2008.

**B9 Group borrowings**

**At  
30 September 2009  
RM '000**

Current:

Revolving credits - unsecured  
Finance lease liabilities

150

2,994

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 3,144
 

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Non-current:

Finance lease liabilities

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 2,095
 

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**B10 Off balance sheet financial instruments**

There were no financial instruments with off balance sheet risks.

**B11 Changes in material litigations.**

There were no changes in material litigations of the Group since the last annual balance sheet date.

**B12 Dividends declared**

The Directors have not recommended any dividend payment for the financial year ended 31 December 2008. No interim dividend has been declared for the quarter and period ended 30 September 2009.

**B13 Earnings per share**

	<b>Current quarter ended 30 September 2009 RM '000</b>	<b>Preceding year corresponding quarter ended 30 September 2008 RM '000</b>	<b>Cumulative 9 months ended 30 September 2009 RM '000</b>	<b>Cumulative 9 months ended 30 September 2008 RM '000</b>
Earnings	2,230	176	3,429	(1,151)
Issued ordinary shares at beginning of period	99,645	99,645	99,645	99,645
Effect of shares issued for the period	-	-	-	-
Weighted average number of shares at end of period	99,645	99,645	99,645	99,645
Basic earning per ordinary shares (sen)	2.24	0.18	3.44	(1.16)
Diluted earning per ordinary shares (sen)	2.24	0.18	3.44	(1.16)