

Quarterly report on consolidated results for the second financial quarter ended 31st December 2011.

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|-----------------------------|---|-------------------------------------|---|
| | Quarter Ended 31.12.2011 | Quarter Ended 31.12.2010 (Restated) | Year To Date Ended 31.12.2011 | Year To Date Ended 31.12.2010 (Restated) |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 11,348 | 11,958 | 20,428 | 22,935 |
| Cost of Sales | <u>(6,530)</u> | <u>(8,469)</u> | <u>(13,196)</u> | <u>(16,586)</u> |
| Gross Profit | 4,818 | 3,489 | 7,232 | 6,349 |
| Other Operating Income | 688,593 | 373 | 688,623 | 798 |
| Selling and Distribution Costs | (406) | (418) | (780) | (853) |
| Administrative Expenses | (2,018) | (1,754) | (3,840) | (3,486) |
| Other Expenses | (180) | - | (180) | - |
| Finance Costs | <u>(62)</u> | <u>(92)</u> | <u>(118)</u> | <u>(186)</u> |
| Profit Before Tax | 690,745 | 1,598 | 690,937 | 2,622 |
| Tax Expense | <u>(290)</u> | <u>(866)</u> | <u>(789)</u> | <u>(1,557)</u> |
| Profit for the Period from Continuing Operations | 690,455 | 732 | 690,148 | 1,065 |
| Discontinued operations | | | | |
| Loss for the Period from Discontinued Operations, net of tax | <u>(40,060)</u> | <u>10,433</u> | <u>(32,422)</u> | <u>21,759</u> |
| Profit for the Period | <u>650,395</u> | <u>11,165</u> | <u>657,726</u> | <u>22,824</u> |
| Other Comprehensive Income, net of tax | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Comprehensive Income for the Period | <u>650,395</u> | <u>11,165</u> | <u>657,726</u> | <u>22,824</u> |
| Profit/(Loss) Attributable to : | | | | |
| Equity holders of the Company | | | | |
| - From Continuing Operations | 690,455 | 739 | 690,161 | 1,084 |
| - From Discontinued Operations | <u>(40,060)</u> | <u>10,433</u> | <u>(32,422)</u> | <u>21,759</u> |
| | 650,395 | 11,172 | 657,739 | 22,843 |
| Non-Controlling Interest | <u>-</u> | <u>(7)</u> | <u>(13)</u> | <u>(19)</u> |
| | <u>650,395</u> | <u>11,165</u> | <u>657,726</u> | <u>22,824</u> |
| Basic earnings per share attributable to equity holders of the Company (sen) | | | | |
| - From Continuing Operations | 486.24 | 0.52 | 486.03 | 0.76 |
| - From Discontinued Operations | <u>(28.21)</u> | <u>7.35</u> | <u>(22.83)</u> | <u>15.32</u> |
| | <u>458.02</u> | <u>7.87</u> | <u>463.20</u> | <u>16.09</u> |
| Total Comprehensive Income Attributable to: | | | | |
| Equity holders of the Company | | | | |
| - From Continuing Operations | 690,455 | 739 | 690,161 | 1,084 |
| - From Discontinued Operations | <u>(40,060)</u> | <u>10,433</u> | <u>(32,422)</u> | <u>21,759</u> |
| | 650,395 | 11,172 | 657,739 | 22,843 |
| Non-Controlling Interest | <u>-</u> | <u>(7)</u> | <u>(13)</u> | <u>(19)</u> |
| | <u>650,395</u> | <u>11,165</u> | <u>657,726</u> | <u>22,824</u> |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2011 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Unaudited as at 31.12.2011 RM'000 | Audited and not Restated as at 30.06.2011 RM'000 |
|---|--|--|
| ASSETS | | |
| Non-Current Assets | | |
| Property, Plant and Equipment | 8,411 | 176,063 |
| Investment Properties | - | 1,280 |
| Intangible Assets | - | 47,548 |
| Other Investments | 10 | 10 |
| Deferred Tax Assets | 408 | 1,552 |
| | <u>8,829</u> | <u>226,453</u> |
| Current Assets | | |
| Inventories | 17,019 | 76,487 |
| Trade Receivables | 10,301 | 112,521 |
| Other Receivables | 3,098 | 9,977 |
| Current Tax Assets | 189 | 1,510 |
| Derivative Financial Assets | - | 8 |
| Deposits Placed with Financial Institutions | 13,970 | 14,616 |
| Short Term Funds | 144,000 | - |
| Cash and Bank Balances | 929 | 56,204 |
| | <u>189,506</u> | <u>271,323</u> |
| TOTAL ASSETS | <u>198,335</u> | <u>497,776</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company | | |
| Share Capital | 142,000 | 142,000 |
| Reserves | 44,219 | 47,385 |
| | <u>186,219</u> | <u>189,385</u> |
| Non-Controlling Interests | 988 | 1,056 |
| Total Equity | <u>187,207</u> | <u>190,441</u> |
| Non-Current Liabilities | | |
| Bank Borrowings | 1,452 | 112,576 |
| Hire Purchase and Lease Creditors | 95 | 7,067 |
| Retirement Benefit Obligations | 621 | 3,404 |
| Deferred Tax Liabilities | 180 | 15,145 |
| | <u>2,348</u> | <u>138,192</u> |
| Current Liabilities | | |
| Trade Payables | 4,771 | 38,491 |
| Other Payables | 1,735 | 72,539 |
| Hire Purchase and Lease Creditors | 47 | 4,064 |
| Bank Borrowings | 1,925 | 51,754 |
| Derivative Financial Liabilities | - | 1,340 |
| Current Tax Liabilities | 302 | 955 |
| | <u>8,780</u> | <u>169,143</u> |
| Total Liabilities | <u>11,128</u> | <u>307,335</u> |
| TOTAL EQUITY AND LIABILITIES | <u>198,335</u> | <u>497,776</u> |
| Net assets per share attributable to ordinary equity holders of the Company (RM) | 1.31 | 1.33 |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

| | <----- Attributable to equity holders of the Company -----> | | | | Non-Controlling Interest RM'000 | Total Equity RM'000 |
|---|---|-------------------------|----------------------------|-----------------|------------------------------------|------------------------|
| | Share Capital RM'000 | Share Premium RM'000 | Retained Profits RM'000 | Total RM'000 | | |
| 6 months ended 31st December 2011 | | | | | | |
| At 1st July 2011 | 142,000 | 2,147 | 45,238 | 189,385 | 1,056 | 190,441 |
| Dividend Paid | - | - | (660,655) | (660,655) | - | (660,655) |
| Changes in Ownership Interest in Subsidiaries | - | - | (250) | (250) | (55) | (305) |
| Total Comprehensive Income for the Period | - | - | 657,739 | 657,739 | (13) | 657,726 |
| At 31st December 2011 | <u>142,000</u> | <u>2,147</u> | <u>42,072</u> | <u>186,219</u> | <u>988</u> | <u>187,207</u> |
| 6 months ended 31st December 2010 | | | | | | |
| At 1st July 2010 | 142,000 | 2,147 | 17,160 | 161,307 | 1,110 | 162,417 |
| Effects on adoption of FRS 139 | - | - | 388 | 388 | - | 388 |
| As at 1st July 2010, as restated | 142,000 | 2,147 | 17,548 | 161,695 | 1,110 | 162,805 |
| Dividend Paid | - | - | (7,455) | (7,455) | - | (7,455) |
| Total Comprehensive Income for the Period | - | - | 22,843 | 22,843 | (19) | 22,824 |
| At 31st December 2010 | <u>142,000</u> | <u>2,147</u> | <u>32,936</u> | <u>177,083</u> | <u>1,091</u> | <u>178,174</u> |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2011 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

| | Current Year To Date Ended 31.12.2011 RM'000 | Corresponding Year To Date Ended 31.12.2010 RM'000 |
|--|--|--|
| Profit Before Taxation From: | | |
| From Continuing Operations | 690,937 | 2,622 |
| From Discontinued Operations | <u>(30,238)</u> | <u>27,453</u> |
| Profit Before Taxation | 660,699 | 30,075 |
| Adjustments for non-cash flow:- | | |
| Non-Cash Items | 8,271 | 10,924 |
| Non-Operating Items | <u>(709,977)</u> | <u>981</u> |
| Operating Profit Before Working Capital Changes | (41,007) | 41,980 |
| Changes in Working Capital | | |
| Net Change in Current Assets | (9,149) | (26,734) |
| Net Change in Current Liabilities | 24,795 | (17,146) |
| Tax Paid | <u>(3,151)</u> | <u>(3,578)</u> |
| Cash Generated from Operating Activities | (28,512) | (5,478) |
| Retirement Benefits Paid | (44) | (115) |
| Interest Paid | (2,839) | (2,432) |
| Interest Received | 652 | 114 |
| Net Cash From Operating Activities | <u>(30,743)</u> | <u>(7,911)</u> |
| Investing Activities | | |
| Equity Investments | (304) | - |
| Purchase of Property, Plant and Equipment | (12,489) | (53,320) |
| Proceeds from Sale of Property, Plant and Equipment | 297 | 26 |
| Disposal of Subsidiaries, Net of Cash and Cash Equivalents | 750,118 | - |
| Proceeds from Sale of Non-Current Assets Held for Sale | - | 4,506 |
| Uplift of Deposits Pledged to Financial Institutions | <u>1,966</u> | <u>62</u> |
| Net Cash Used in Investing Activities | <u>739,588</u> | <u>(48,726)</u> |
| Financing Activities | | |
| Dividend Paid | (660,655) | (7,455) |
| Drawdown of Bank Borrowings | 46,886 | 51,917 |
| Drawdown of Hire Purchase and Lease Creditors | (4,708) | 139 |
| Repayment of Bank Borrowings | 750 | (7,190) |
| Repayment of Hire Purchase and Lease Creditors | <u>(1,426)</u> | <u>(1,627)</u> |
| Net Cash From Financing Activities | <u>(619,153)</u> | <u>35,784</u> |
| Net Change in Cash and Cash Equivalents | 89,692 | (20,853) |
| Cash and Cash Equivalents at beginning of financial year | 68,854 | 38,485 |
| Cash and Cash Equivalents at end of financial period | <u>158,546</u> | <u>17,632</u> |
| Cash and cash equivalents carried forward consists of:- | | |
| Deposits Placed with Financial Institutions | 13,970 | 12,837 |
| Short Term Funds | 144,000 | - |
| Cash and Bank Balances | 929 | 6,717 |
| Bank Overdrafts | <u>(353)</u> | <u>(35)</u> |
| | 158,546 | 19,519 |
| Less: Deposits Pledged to Financial Institutions | <u>-</u> | <u>(1,887)</u> |
| | <u>158,546</u> | <u>17,632</u> |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30th June 2011 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Part A - Explanatory Notes of FRS 134

A1 Basis of Preparation

The interim financial statements of the Group is unaudited and has been prepared in accordance with the requirement of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30th June 2011. These explanatory notes attached to the interim financial statements 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 financial year ended 30th June 2011.

A2 Comparatives

On 21st July 2011, the Company had entered into a conditional share sale agreement with Asahi Group Holdings Ltd ("Asahi") for the disposal of the entire equity interest in Permanis Sdn Bhd ("Permanis Group") to Asahi for a total cash consideration of RM820.0 million.

In accordance with FRS 5: Non-Current Assets Held For Sale and Discontinued Operations, Permanis Group is classified as Disposal Group held for sale/discontinued operations. The comparatives of the Discontinued operations in the preceding year corresponding quarter and year to date have been reclassified and restated as follows:

Condensed consolidated statement of comprehensive income

| | Preceding quarter 31.12.2010 | | |
|--|--------------------------------|-----------------------------------|-----------------------|
| | As previously stated RM'000 | Disposal Group FRS 5 RM'000 | As Restated RM'000 |
| Revenue | 146,650 | (134,692) | 11,958 |
| Cost of Sales | 86,232 | (77,763) | 8,469 |
| Gross Profit | 60,418 | (56,929) | 3,489 |
| Other Operating Income | 1,380 | (1,007) | 373 |
| Selling and Distribution Costs | 33,857 | (33,439) | 418 |
| Administrative Expenses | 11,893 | (10,139) | 1,754 |
| Finance Costs | 1,341 | (1,249) | 92 |
| Profit Before Taxation | 14,707 | (13,109) | 1,598 |
| Taxation | 3,542 | (2,676) | 866 |
| Profit for the period from Continuing Operations | 11,165 | (10,433) | 732 |
| Profit for the period from Discontinued Operations | - | 10,433 | 10,433 |

| | Preceding year to date 31.12.2010 | | |
|--|-----------------------------------|-----------------------------------|-----------------------|
| | As previously stated RM'000 | Disposal Group FRS 5 RM'000 | As Restated RM'000 |
| Revenue | 300,232 | (277,297) | 22,935 |
| Cost of Sales | 178,744 | (162,158) | 16,586 |
| Gross Profit | 121,488 | (115,139) | 6,349 |
| Other Operating Income | 2,401 | (1,603) | 798 |
| Selling and Distribution Costs | 68,068 | (67,215) | 853 |
| Administrative Expenses | 23,347 | (19,861) | 3,486 |
| Finance Costs | 2,399 | (2,213) | 186 |
| Profit Before Taxation | 30,075 | (27,453) | 2,622 |
| Taxation | 7,251 | (5,694) | 1,557 |
| Profit for the period from Continuing Operations | 22,824 | (21,759) | 1,065 |
| Profit for the period from Discontinued Operations | - | 21,759 | 21,759 |

A3 Audit Report of the Preceding Annual Financial Statements

The auditors' report on the financial statements of the Group for the financial year ended 30th June 2011 was not subject to any qualification.

A4 Seasonal or Cyclical Factors

The Group's business operations are affected by macroeconomic cycles.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
Part A - Explanatory Notes of FRS 134
A5 Nature and Amount of Unusual Items

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

A6 Nature and Amount of Changes in Estimates

There were no significant changes in estimates of amounts reported in prior quarter that have a material impact on the current financial quarter.

A7 Debt and Equity Securities

The Group was not involved in any issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter.

A8 Dividends Paid

- i) A final dividend of 7 sen per share less income tax at 25% in respect of the financial year ended 30th June 2011 amounting to RM7,455,000 was paid on 18th November 2011; and
- ii) A Single-Tier Special Dividend of RM4.60 per share pursuant to the proceeds received from the disposal by the Company of its entire equity interest in Permanis Group to Asahi, was paid on 9th December 2011.

Dividends paid to-date are tabulated below:-

| Financial Year | Description | Payment Date | Gross Dividend (%) | Net Dividend (%) | Amount Paid RM'000 |
|----------------|---|--------------|--------------------|------------------|--------------------|
| 2008 | First & final dividend, less tax at 25% | 11.11.2008 | 4% | 3% | 3,888 |
| 2009 | Interim dividend, less tax at 25% | 20.02.2009 | 2% | 1.5% | 1,944 |
| | Final dividend, less tax at 25% | 26.10.2009 | 5% | 3.75% | 5,325 |
| 2010 | Interim dividend, less tax at 25% | 02.03.2010 | 4% | 3% | 4,260 |
| | Final dividend, less tax at 25% | 19.11.2010 | 7% | 5.25% | 7,455 |
| 2011 | Interim dividend, less tax at 25% | 08.03.2011 | 5% | 3.75% | 5,325 |
| | Final dividend, less tax at 25% | 18.11.2011 | 7% | 5.25% | 7,455 |
| | Special Dividend, Single Tier | 09.12.2011 | RM4.60 per share | - | 653,200 |
| | Total | | | | <u>688,852</u> |

A9 Segment Information

For management purposes, the Group is organized into three major business segments, namely beverages, tap-ware and sanitary ware and investments holdings/others. Inter-segment transactions are entered into in the normal course of business and are based on negotiated and mutually agreed terms.

| | 3 months ended 31st December 2011 | | | | |
|--------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|--|--------------|
| | Tap-ware and sanitary ware RM'000 | Investment holdings/Others RM'000 | Total Continuing Operations RM'000 | Discontinued Operations Beverages RM'000 | Total RM'000 |
| Segments revenues and results | | | | | |
| Revenue | 8,793 | 2,555 | 11,348 | 46,084 | 57,432 |
| Operating Profit/(Loss) | 598 | 690,209 | 690,807 | (38,973) | 651,834 |
| Profit/(Loss) Before Tax | 523 | 690,222 | 690,745 | (39,750) | 650,995 |
| Segments assets | | | | | |
| Total Assets | 38,933 | 159,402 | 198,335 | - | 198,335 |
| | 3 months ended 31st December 2010 | | | | |
| | Tap-ware and sanitary ware RM'000 | Investment holdings/Others RM'000 | Total Continuing Operations RM'000 | Discontinued Operations Beverages RM'000 | Total RM'000 |
| Segments revenues and results | | | | | |
| Revenue | 11,881 | 77 | 11,958 | 134,692 | 146,650 |
| Operating Profit/(Loss) | 2,238 | (550) | 1,688 | 14,360 | 16,048 |
| Profit/(Loss) Before Tax | 2,149 | (552) | 1,597 | 13,110 | 14,707 |
| Segments assets | | | | | |
| Total Assets | 38,696 | 10,691 | 49,387 | 383,128 | 432,515 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
Part A - Explanatory Notes of FRS 134
A10 Property, Plant and Equipment

The valuations of land and buildings have been brought forward, without amendment from the annual financial report for the financial year ended 30th June 2011.

A11 Subsequent Material Events

As at the date of this report, there was no material event subsequent to the balance sheet date that affect the results of the Group for the financial year to-date.

A12 Changes in the Composition of the Group

- i) On 21st July 2011, the Company had entered into a conditional share sale agreement with Asahi for the disposal of the entire equity interest in Permanis Group to Asahi for a total cash consideration of RM820.0 million.

The disposal was completed on 11th November 2011 and the disposal price has been received on the same date by the Company.

The result of Permanis was included in the Disposal Group as disclosed in Note A13 below.

The effects of the disposal of Permanis Group on the financial position of the Group are as follows:

| | RM'000 |
|--|-----------|
| Property, Plant and Equipment | 171,759 |
| Investment Properties | 1,100 |
| Deferred Tax Assets | 1,157 |
| Inventories | 54,401 |
| Trade and Other Receivables | 123,131 |
| Derivative Assets | 63 |
| Cash and Bank Balances | 69,882 |
| Goodwill on Consolidation | 47,548 |
| Trade and Other Payables | (126,481) |
| Derivative Liabilities | (1,340) |
| Borrowings | (213,797) |
| Retirement Benefits Obligations | (2,842) |
| Deferred Tax Liabilities | (15,437) |
| | 109,144 |
| Gain on Disposal of Subsidiaries | 710,856 |
| Sales Consideration | 820,000 |
| Less: Cash and Cash Equivalents in subsidiaries disposed | (69,882) |
| Disposal of Subsidiaries, Net of Cash and Cash Equivalents | 750,118 |

- ii) On 16th November 2011, the Company through its wholly-owned subsidiary, Doe Industries Sdn Bhd (Company no. 36788-T)("Doe") entered into the following agreements:-

- a) Sale of shares agreement with Orient Vector Sdn Bhd (Company no. 653831-A) for the acquisition of the remaining 1,502,200 ordinary shares of RM1.00 each in Potex Industries Sdn Bhd (Company no. 297534-X) ("PISB"), representing 10% of the total issued and paid-up share capital of PISB, for a cash consideration of RM295,089; and
- b) Sale of shares agreement with Khoo Soon Kwee @ Francis (NRIC No. 391230-01-5605) for the acquisition of the remaining 25,000 ordinary shares of RM1.00 each in Potex Sdn Bhd (Company no. 599393-U), now known as Elegant Flow Sdn Bhd ("EFSB"), representing 10% of the total issued and paid-up share capital of EFSB, for a cash consideration of RM4,911.

As a result of the acquisition, PISB and EFSB become the wholly-owned subsidiaries of Doe.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Part A - Explanatory Notes of FRS 134

A13 Discontinued Operations

In accordance with FRS 5: Non-Current Assets Held for Sale and Discontinued Operations, the results and cash flow of the disposal group were classified as "Discontinued Operations" in the Statement of Comprehensive Income".

The revenue and results of the Disposal Group are as follows:

| | Current Quarter for the period from 1.10.2011 to 31.10.2011 RM'000 | Preceding Year Quarter 31.12.2010 RM'000 | Current Year To Date for the period from 1.07.2011 to 31.10.2011 RM'000 | Preceding Year To Date 31.12.2010 RM'000 |
|--------------------------------|---|---|--|---|
| Revenue | 46,064 | 134,692 | 199,268 | 277,297 |
| Cost of Sales | (27,663) | (77,764) | (122,454) | (162,158) |
| Gross Profit | 18,401 | 56,928 | 76,814 | 115,139 |
| Other Operating Income | 1,023 | 1,007 | 1,723 | 1,603 |
| Selling and Distribution Costs | (13,794) | (33,439) | (50,740) | (67,215) |
| Administrative Expenses | (3,003) | (10,138) | (13,721) | (19,861) |
| Other Expenses | (41,600) | - | (41,600) | - |
| Finance Costs | (777) | (1,249) | (2,714) | (2,213) |
| Profit Before Tax | (39,750) | 13,109 | (30,238) | 27,453 |
| Tax Expense | (310) | (2,676) | (2,184) | (5,694) |
| (Loss)/Profit for the Period | (40,060) | 10,433 | (32,422) | 21,759 |

The cash flows attributable to the discontinued operations are as follows:-

| | Current Year To Date RM'000 | Preceding Year To Date RM'000 |
|----------------------|--------------------------------|----------------------------------|
| Operating Cash Flows | (7,711) | (6,147) |
| Investing Cash Flows | (20,160) | (53,925) |
| Financing Cash Flows | 42,422 | 42,333 |
| | 14,551 | (17,739) |

A14 Changes in Contingent Liabilities

The contingent liabilities of the Company are as follows:-

| | As at 31.12.2011 RM'000 |
|---|----------------------------|
| Unsecured :- | |
| Guarantees given by the Company to financial institutions in respect of:- | |
| (i) Banking facilities granted to subsidiaries | 3,377 |
| (ii) Hire purchase and lease facilities granted to subsidiaries | - |

A15 Capital Commitments

Capital expenditure in respect of purchase of property, plant and equipment:-

| | As at 31.12.2011 RM'000 |
|---------------------------------|----------------------------|
| Approved but not contracted for | - |
| Contracted but not provided | - |

A16 Significant Related Party Transactions

The significant related party transactions undertaken during the current quarter under review prior to the disposal of Permanis Group are as follows:-

| The Company or its subsidiary | Transacting Party | Nature of Transaction | RM'000 |
|-------------------------------|-------------------------------|-----------------------|--------|
| Permanis Sdn Bhd | SV Beverages Holdings Sdn Bhd | • Royalty payable | 53 |

**ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**
B1 Review of Performance

As explained in Note 13 of Part A, in accordance with FRS 5: Non-Current Assets Held for Sale and Discontinued Operations, Permanis Group is a disposal group held for sale and accordingly was classified as Discontinued Operations.

a) Continuing Operations

The Group performance for the quarter under review against the corresponding quarter of the previous financial year is tabled below:-

| Description | 2nd Qtr 2012 RM'000 | 2nd Qtr 2011 RM'000 | Increase/(Decrease) | |
|-------------------|------------------------|------------------------|---------------------|--------|
| | | | RM'000 | % |
| Revenue | 11,348 | 11,958 | (610) | -5% |
| Profit before tax | 690,745 | 1,598 | 689,147 | 43126% |
| Profit after tax | 690,455 | 732 | 689,723 | 94224% |

For the current quarter under review, the Group's revenue and profit before tax of RM11.35 million and RM690.75 million respectively, compared to revenue of RM11.96 million and profit before tax of RM1.60 million recorded in the corresponding quarter last year. The decrease in revenue was attributed to a slowdown in the construction sector. The improvement in profit before tax can be attributed largely to income received from the investment of the proceeds of disposal and gain on the Disposal Group of RM688.43 million.

b) Discontinued Operations

The Discontinued Operations of the Group are in respect of the contribution from Disposal Group, the details of which are disclosed in Note 13 of Part A above.

| Description | 2nd Qtr 2012 RM'000 | 2nd Qtr 2011 RM'000 | Increase/(Decrease) | |
|--------------------------|------------------------|------------------------|---------------------|-------|
| | | | RM'000 | % |
| Revenue | 46,064 | 134,692 | (88,628) | -66% |
| (Loss)/Profit before tax | (39,750) | 13,109 | (52,859) | -403% |
| (Loss)/Profit after tax | (40,060) | 10,433 | (50,493) | -484% |

For the current quarter under review, the Disposal Group recorded revenue and loss before tax of RM46.06 million and RM39.75 million respectively, compared to revenue of RM134.69 million and profit before tax of RM13.11 million recorded in the corresponding quarter last year. The decline in revenue was mainly due to the non-consolidation of results post the disposal on 11th November 2011. The decline in profit before tax can be mainly attributed to one-off pre-disposal expenses. These one-off expenses did not impact the consideration for the Disposal Group and thus there was a corresponding increase in the gain on the Disposal Group.

Overall, the Group achieved a year to date total profit of RM650.40 million from the continuing and discontinued operations as compared to RM11.17 million achieved during the preceding year. This significant increase can be attributed to the gain on the Disposal Group.

B2 Variation of Results Against Preceding Quarter

| Description | 2nd Qtr 2012 RM'000 | 1st Qtr 2012 RM'000 | Increase/(Decrease) | |
|--------------------------------|------------------------|------------------------|---------------------|----------|
| | | | RM'000 | % |
| Profit/(Loss) Before Tax | | | | |
| - from Continuing Operations | 690,745 | (307) | 691,052 | -225098% |
| - from Discontinued Operations | (39,750) | 7,637 | (47,387) | -620% |
| | 650,995 | 7,330 | 643,665 | 8781% |

The Group's profit before tax for the current quarter of RM650.40 million (contributed by Continuing operations and Discontinued operations) was higher than the preceding quarter's profit before tax of RM7.33 million. This significant increase can be attributed to the gain on the Disposal Group.

**ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**
B3 Current Year Prospects

The Group has proven its capability to drive successful transformation and extensive growth of its investee companies in the past. It aims to explore opportunities to replicate its successes through new investments.

In addition, the Group will also focus on driving its remaining continuing operations, namely, its Tap and Sanitary Ware Division.

B4 Profit Forecast

Not applicable as no profit forecast was published.

B5 Tax Expense

Taxation for continuing operations comprises:

| | Quarter Ended | | Year To Date Ended | |
|----------------------|---------------|------------|--------------------|--------------|
| | 31.12.2011 | 31.12.2010 | 31.12.2011 | 31.12.2010 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Taxation comprises:- | | | | |
| - Income Tax | 290 | 866 | 789 | 1,557 |
| - Deferred Tax | - | - | - | - |
| | <u>290</u> | <u>866</u> | <u>789</u> | <u>1,557</u> |

The Group's effective tax rate for the current quarter is higher than the statutory tax rate mainly due to certain expenses not allowable for tax deductions.

B6 Unquoted Investments and Properties

There were no disposals of unquoted investments or properties in the current financial quarter.

B7 Quoted Investments

There were no purchases or disposals of quoted securities for the current financial quarter.

B8 Corporate Proposals

The status of corporate proposals announced is as follows:

On 10th November 2011, CIMB Investment Bank Berhad ("CIMB") announced on the Company behalf that the Company wish to distribute a total cash dividend of RM724.2 million (equivalent to RM5.10 per CIH Share), via the following:

- (i) declaration of a special cash dividend payment of RM653.20 million on the basis of RM4.60 for every one CIH Share held; and
- (ii) proposed capital repayment of RM71 million to CIH's shareholders on the basis of RM0.50 for every one CIH Share held.

The Special Dividend and Proposed Capital Repayment were to be funded from the proceeds of the Disposal. The Company also proposed to amend its Memorandum of Association to facilitate the implementation of the Proposed Capital Repayment.

On 11th November 2011, CIMB announced on the Company behalf that the Company have received the full proceeds of the Disposal, marking the completion of the Disposal. On the same day, the Company announced that the entitlement date for the Special Dividend has been fixed on 29th November 2011. The Special Dividend was subsequently paid on 9th December 2011.

At an Extraordinary General Meeting held on the 18th January 2012, the Company obtained the approval from its shareholders for the Proposed Capital Repayment and the amendment to its Memorandum of Association to facilitate the implementation of the Proposed Capital Repayment.

On the 19th of January 2012, the Company filed the application to the High Court for the court order in respect of the Proposed Capital Repayment.

B9 Bank Borrowings

Details of the Group's bank borrowings as at 31st December 2011 are as follows:

| | Secured | Unsecured | Total |
|-------------|--------------|-----------|--------------|
| | RM'000 | RM'000 | RM'000 |
| Current | 1,925 | - | 1,925 |
| Non-Current | 1,452 | - | 1,452 |
| | <u>3,377</u> | <u>-</u> | <u>3,377</u> |

**ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**
B10 Derivative Financial Instruments

There were no recognised financial instruments as at 31st December 2011.

B11 Changes in Material Litigation

There were no changes in the material litigations of the Group since the previous quarterly report date up to the date of this report.

B12 Dividend

The Board of Directors do not recommend any dividend for the period ended 31st December 2011.

B13 Earnings Per Share

| | Quarter Ended | | Year To Date Ended | |
|--|----------------|----------------|--------------------|----------------|
| | 31.12.2011 | 31.12.2010 | 31.12.2011 | 31.12.2010 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit/(Loss) attributable to equity holders of the Company | | | | |
| - From Continuing Operations | 690,455 | 739 | 690,161 | 1,084 |
| - From Discontinued Operations | (40,060) | 10,433 | (32,422) | 21,759 |
| | <u>650,395</u> | <u>11,172</u> | <u>657,739</u> | <u>22,843</u> |
| Weighted average number of ordinary shares in issue ('000) | <u>142,000</u> | <u>142,000</u> | <u>142,000</u> | <u>142,000</u> |
| | Sen | Sen | Sen | Sen |
| Basic earnings per share attributable to equity holders of the Company | | | | |
| - From Continuing Operations | 486.24 | 0.52 | 486.03 | 0.76 |
| - From Discontinued Operations | (28.21) | 7.35 | (22.83) | 15.32 |
| | <u>458.02</u> | <u>7.87</u> | <u>463.20</u> | <u>16.09</u> |

PART C - DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES

Total retained profits/(accumulated losses) as at 31st December 2011 as at the end of the reporting period may be analysed as follows:

| | As at 31.12.2011 RM'000 |
|---|-------------------------------|
| Total Retained Profits/(Accumulated Losses) of C.I. Holdings Berhad and its subsidiaries: | |
| - Realised | (120,270) |
| - Unrealised | <u>55</u> |
| | <u>(120,215)</u> |
| Less: Consolidation Adjustments | <u>162,287</u> |
| Total Group Retained Profits as per Consolidation Accounts | <u><u>42,072</u></u> |