

Company No. 532570-V



JOHORE TIN BERHAD
(Company No. 532570-V)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2010

(UNAUDITED)

This Report is dated 26th May 2010.

Company No. 532570-V

JOHORE TIN BERHAD
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

QUARTERLY REPORT

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JOHORE TIN BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2010 (UNAUDITED)

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 31-03-2010 RM'000	Preceding Year Corresponding Quarter 31-03-2009 RM'000	Current Year-To-Date 31-03-2010 RM'000	Preceding Year Corresponding Period 31-03-2009 RM'000
Revenue		22,969	29,501	22,969	29,501
Cost of Sales		(18,363)	(24,818)	(18,363)	(24,818)
Gross profit		4,606	4,683	4,606	4,683
Other operating income		202	60	202	60
Other operating expenses		(2,031)	(2,356)	(2,031)	(2,356)
Finance costs		(152)	(298)	(152)	(298)
Profit before tax		2,625	2,089	2,625	2,089
Income tax expense	B6	(688)	(770)	(688)	(770)
PROFIT FOR THE PERIOD		1,937	1,319	1,937	1,319
Other comprehensive income:					
Exchange differences on translating foreign operations		(17)	(2)	(17)	(2)
Other comprehensive income for the period, net of tax		(17)	(2)	(17)	(2)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1,920	1,317	1,920	1,317
Profit attributable to owners of the Company		1,937	1,319	1,937	1,319
Total comprehensive income attributable to owners of the Company		1,920	1,317	1,920	1,317
Earnings per share (Sen):					
- Basic and diluted	B7	2.94	2.00	2.94	2.00

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes to the quarterly report.

JOHORE TIN BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2010 (UNAUDITED)

	NOTE	As at 31 March 2010 (Unaudited) RM'000	As at 31 December 2009 (Audited) RM'000 Restated
ASSETS			
Non-Current Assets			
Property, plant and equipment		43,022	43,570
Assets in progress		1,507	1,507
Other investment	B8	17	17
		44,546	45,094
Current Assets			
Inventories		26,877	26,912
Trade receivables		33,625	32,080
Other receivables		787	1,126
Tax recoverable		1,307	1,458
Cash and cash equivalents		8,408	7,937
		71,004	69,513
Total Assets		115,550	114,607
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		65,979	65,979
Retained earnings		20,744	18,807
Other components of equity		5,043	5,060
Total Equity		91,766	89,846

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes to the quarterly report.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2010 (UNAUDITED) (cont'd)

	NOTE	As at 31 March 2010 (Unaudited) RM'000	As at 31 December 2009 (Audited) RM'000 Restated
EQUITY AND LIABILITIES (cont'd)			
Non-Current Liabilities			
Long-term borrowings	B11	9,402	10,018
Retirement benefits		293	277
Deferred tax		1,181	1,023
Total Non-Current Liabilities		10,876	11,318
Current Liabilities			
Trade payables		2,079	2,952
Other payables		1,798	3,051
Amount owing to directors		587	476
Short-term borrowings	B11	7,713	6,391
Derivative financial liabilities	B13	139	-
Bank overdraft		592	573
Total Current Liabilities		12,908	13,443
Total Liabilities		23,784	24,761
Total Equity and Liabilities		115,550	114,607
Net Assets (NA) per share attributable to ordinary equity holders (RM)		1.39	1.36

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes to the quarterly report.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2010 (UNAUDITED)

	<u>Attributable to owners of the Company</u>				
	<u>Non-Distributable</u>				
	<u>Reserves</u>				
	Share Capital RM'000	Share Premium RM'000	Foreign Translation Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
Balance at 1 January 2010	65,979	5,520	(460)	18,807	89,846
Total comprehensive income for the period	-	-	(17)	1,937	1,920
Balance at 31 March 2010	<u>65,979</u>	<u>5,520</u>	<u>(477)</u>	<u>20,744</u>	<u>91,766</u>
Balance at 1 January 2009	65,979	5,520	(420)	14,460	85,539
Total comprehensive income for the period	-	-	(2)	1,319	1,317
Balance at 31 March 2009	<u>65,979</u>	<u>5,520</u>	<u>(422)</u>	<u>15,779</u>	<u>86,856</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes to the quarterly report.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2010 (UNAUDITED)

	Current Year-To-Date 31-03-2010 RM'000	Preceding Year-To-Date 31-03-2009 RM'000
Net cash generated from operating activities	109	5,380
Net cash used in investing activities	(195)	(1)
Net cash used in financing activities	554	(5,449)
Net increase/(decrease) in cash and cash equivalents	468	(70)
Adjustment for foreign exchange differentials	(16)	(2)
Cash and cash equivalents as of beginning of period	7,364	1,421
Cash and cash equivalents as of end of period	<u>7,816</u>	<u>1,349</u>

Cash and cash equivalents at the end of the financial period comprise the following:

	Current Year-To-Date 31-03-2010 RM'000	Preceding Year-To-Date 31-03-2009 RM'000
Cash and bank balances	8,408	2,911
Bank overdraft	(592)	(1,562)
	<u>7,816</u>	<u>1,349</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes to the quarterly report.

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NOTES TO THE FINANCIAL INFORMATION
FOR THE FIRST QUARTER ENDED 31 MARCH 2010 (UNAUDITED) (cont'd)

PART A
EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARDS 134:
INTERIM FINANCIAL REPORTING (“FRS 134”)

A1. Basis of Preparation

The unaudited condensed interim financial statements for the first quarter ended 31 March 2010 have been prepared in accordance with FRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”), and should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 December 2009.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group for these unaudited condensed interim financial statements are consistent with those in the audited financial statements for the financial year ended 31 December 2009.

List below are the new/revised FRSs, Issues Committee (“IC”) Interpretations (“Int.”) and amendments to FRSs and IC Int. which are effective for financial periods beginning on or after 1 January 2010:

FRS 4	<i>Insurance Contracts</i>
FRS 7	<i>Financial Instruments: Disclosures</i>
FRS 101	<i>Presentation of Financial Statements</i>
FRS 123	<i>Borrowing Costs</i>
FRS 139	<i>Financial Instruments: Recognition and Measurement</i>
Amendments to FRS 1 and FRS 127	<i>First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i>
Amendments to FRS 2	<i>Share-based Payment Vesting Conditions and Cancellations</i>
Amendments to FRS 5	<i>Non-current Assets Held for Sale and Discontinued Operations</i>
Amendments to FRS 7, FRS 139 and IC Int. 9	<i>Financial Instruments: Recognition and Measurement, Financial Instruments: Disclosures and Reassessment of Embedded Derivatives</i>
Amendments to FRS 8	<i>Operating Segments</i>
Amendments to FRS 108	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>
Amendments to FRS 117	<i>Leases</i>
Amendments to FRS 118	<i>Revenue</i>
Amendments to FRS 119	<i>Employee Benefits</i>
Amendments to FRS 120	<i>Accounting for Government Grants and Disclosure of Government Assistance</i>
Amendments to FRS 123	<i>Borrowing Costs</i>
Amendments to FRS 127	<i>Consolidated and Separate Financial Statements</i>
Amendments to FRS 128	<i>Investments in Associates</i>
Amendments to FRS 129	<i>Financial Reporting in Hyperinflationary Economies</i>
Amendments to FRS 131	<i>Interests in Joint Ventures</i>
Amendments to FRS 132	<i>Financial Instruments: Presentation</i>
Amendments to FRS 134	<i>Interim Financial Reporting</i>
Amendments to FRS 138	<i>Intangible Assets</i>
Amendments to FRS 140	<i>Investment Property</i>

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A2. Changes in Accounting Policies (cont'd)

IC Int. 9	<i>Reassessment of Embedded Derivatives</i>
IC Int. 10	<i>Interim Financial Reporting and Impairment</i>
IC Int. 11	<i>FRS 2: Group and Treasury Share Transactions</i>
IC Int. 13	<i>Customer Loyalty Programmes</i>
IC Int. 14	<i>FRS 119: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>

Except as disclosed below, the adoption of the above applicable standards, amendments and interpretations by the Group, do not have a material impact on these unaudited condensed consolidated interim financial statements:

a) **FRS 101 Presentation of Financial Statements**

With the adoption of the revised FRS 101, it requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (ie comprehensive income) are required to be presented in one statement of comprehensive income. Components of comprehensive income are not permitted to be presented in the statement of changes in equity. Comparative information has been re-presented to conform with the revised standard as follows:

	Previous FRS 101 reported 31-12-2009 RM'000	Effects on adoption of revised FRS 101 RM'000	Revised FRS 101 01-01-2010 RM'000
Profit for the period	1,319	-	1,319
Other comprehensive income:			
Exchange differences on translating foreign operations	-	(2)	(2)
Total comprehensive income for the period			<u><u>1,317</u></u>

b) **FRS 117 Leases**

The Group has adopted the amendment to FRS 117. The Group has reassessed and determined that all leasehold land of the Group which are in substance finance leases and has reclassified the leasehold land to property, plant and equipment. The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendment.

The reclassification does not affect the basic and diluted earnings per ordinary share for the current and prior periods. The following comparative figures have been restated following the adoption of the amendment to FRS 117:

	THE GROUP	
	As restated 31-12-2009 RM'000	As previously reported 31-12-2009 RM'000
Cost		
Property, plant and equipment	43,570	43,289
Prepaid lease payments	-	281

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A2. Changes in Accounting Policies (cont'd)

c) FRS 139 *Financial Instruments: Recognition and Measurement*

Prior to the adoption of FRS 139, all foreign exchange gain/(loss) arising from foreign currency forward contracts are only recognised on their settlement date. With the adoption of FRS 139, all foreign currency forward contracts are required to be recognised at fair value on the date of contract entered and subsequently at the end of each financial reporting period. Any gains or losses arising from the changes in fair value are recognised in profit or loss.

In accordance with the transitional provisions for first-time adoption of FRS 139, this standard has been applied prospectively and comparative information is not restated. However, opening balance adjustments of retained earnings are required to reflect the changes.

Financial Assets

i) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets are classified as at FVTPL when the financial asset is either held for trading (i.e. acquired principally for the purpose of selling in the short-term) or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. Dividend income from financial assets at FVTPL is recognised in profit or loss as part of the other income when the Group's right to receive payment is established.

ii) Loans and receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial Liabilities

i) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading (acquired principally for the purpose of repurchasing it in the near term) or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges. Liabilities in this category are classified as current assets.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the statement of comprehensive income.

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A2. Changes in Accounting Policies (cont'd)

c) FRS 139 *Financial Instruments: Recognition and Measurement* (cont'd)

ii) Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. A derivative with a positive fair value is recognised as a financial asset; a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

A3. Audit Qualification

There was no qualification on the annual audited financial statements of the Group for the year ended 31 December 2009.

A4. Seasonal or Cyclical Factors

The Group's operations are not significantly affected by any seasonal or cyclical factors.

A5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial reporting period under review.

A6. Changes in Estimates

There were no changes in estimates of amounts reported in prior financial reporting period that have a material effect in the current financial reporting period.

A7. Debts and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayment of debts and equity securities for the current financial reporting period.

A8. Dividend Paid

There was no dividend paid during the current financial reporting period under review.

A9. Valuation of Property, Plant and Equipment

No valuation of property, plant and equipment has been carried out for the financial reporting period under review.

A10. Material Events

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

A11. Changes in the Composition of the Group

There are no changes in the composition of the Group for the first quarter ended 31 March 2010.

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A12. Segmental Reporting

The Group's principal business activities are manufacturing of various tins, cans and other containers, and are primarily carried out in Malaysia and Indonesia. As such, segmental analysis on business segment is currently not applicable.

THE GROUP 31 March 2010	Malaysia RM'000	Indonesia RM'000	Elimination RM'000	Consolidated RM'000
Revenue				
External sales	22,969	-	-	22,969
Inter-segment sales	546	-	(546)	-
Total revenue	<u>23,515</u>	<u>-</u>	<u>(546)</u>	<u>22,969</u>
Segment results	2,760	14	3	2,777
Finance costs	(152)	-	-	(152)
		Profit before tax		2,625
		Income tax expense		(688)
		Net profit for the period		<u>1,937</u>
Other Information				
Capital expenditure	197,397	-	-	197,397
Depreciation and amortisation	744	-	(4)	740
Segment assets	199,186	1,274	(84,910)	115,550
Segment liabilities	<u>38,228</u>	<u>7</u>	<u>(14,451)</u>	<u>23,784</u>

A13. Contingent Liabilities

	THE COMPANY	
	31-03-2010	31-12-2009
	RM'000	RM'000
Corporate Guarantee given to licensed banks for banking facilities granted to subsidiaries	<u>23,143</u>	<u>16,890</u>

A14. Related Party Transactions

The amount owing to a director is unsecured, interest free advances and repayable on demand. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operation decisions. The related parties and their relationship with the Company are as follows:

	THE GROUP	
	Current	Preceding
	Year-To-Date	Year-To-Date
	31-03-2010	31-03-2009
	RM	RM
Director of the Company		
Rental of factory	<u>16,800</u>	<u>16,800</u>

The directors of the Group and the Company are of the opinion that the above transaction has been entered into in the normal course of business and has been established under terms that are not less favourable than those arranged with independent third parties. The tenancy period was mutually agreed by both parties for a period of two years and expiring on 14 November 2011.

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PART B
EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS
OF THE BURSA SECURITIES

B1. Review of Performance

The Group has recorded a profit before tax of RM2.625 million on the back of turnover of RM22.969 million for the first quarter ended 31 March 2010 as compared to preceding year corresponding quarter of RM2.089 million and RM29.501 million respectively. The Group achieved a total revenue of RM22.969 million (31.03.2009: RM29.501 million) and profit before tax of RM2.625 million (31.03.2009: RM2.089 million) for the 3 months period ended 31 March 2010. The decrease in revenue was mainly due to lower demand from the palm oil industries and the increase in profit before tax was due to higher efficiency in the manufacturing process, lower financing cost and lower operating costs.

B2. Variation of Results against Preceding Quarter

The Group's profit before tax for the current quarter ended 31 March 2010 was RM2.625 million as compared to RM1.981 million in the preceding quarter ended 31 December 2009. The increase in profit before tax was due to lower operating costs.

B3. Prospects of the Group

The Board expects 2nd quarter of 2010 to remain a challenging quarter. However, the Board expects the performance of the Group for year 2010 to be profitable.

B4. Revenue or Profit Estimates

This is not applicable to the Group for the current financial reporting period under review.

B5. Profit Forecast or Profit Guarantee

This is not applicable to the Group for the current financial reporting period under review.

B6. Income Tax Expense

	Individual Quarter		Cumulative Quarter	
	31-03-2010	31-03-2009	31-03-2010	31-03-2009
	RM'000	RM'000	RM'000	RM'000
Current year:				
- Income tax	530	544	530	544
- Deferred tax	158	226	158	226
	<u>688</u>	<u>770</u>	<u>688</u>	<u>770</u>
Under/(Over) provision in previous years:				
- Income tax	-	-	-	-
- Deferred tax	-	-	-	-
	<u>688</u>	<u>770</u>	<u>688</u>	<u>770</u>

The effective tax rate of the Group for the current financial reporting period and year-to-date is slightly higher than the statutory tax rate, mainly due to certain expenses that are not deductible for tax purposes.

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B7. Earnings Per Share (EPS)

The basic EPS is calculated based on the net profit divided by the weighted average number of ordinary shares in issues during the financial reporting period which is as follows:

	Individual Quarter		Cumulative Quarter	
	31-03-2010	31-03-2009	31-03-2010	31-03-2009
Profit attributable to owners of the Company (RM'000)	1,937	1,319	1,937	1,319
Weighted average number of ordinary shares in issue ('000)	65,979	65,979	65,979	65,979
Basic EPS (Sen)	2.94	2.00	2.94	2.00

The diluted EPS is not applicable to the Group.

B8. Unquoted Investment and/or Properties

There were no profits on sale of unquoted investments or properties in the current financial reporting period. The unquoted investment of the Group is as follows:

	RM'000
At cost/book value	<u>17</u>

B9. Quoted Securities

There were no purchases or sales of quoted securities by the Group during the financial reporting period under review.

B10. Status of Corporate Proposals

There are no corporate proposals announced for the current financial reporting period.

B11. Group Borrowings and Debts Securities

The Group's bank borrowings and debts securities as at the end of the financial reporting period are as follows:

	THE GROUP	
	As at 31-03-2010 RM'000	As at 31-12-2009 RM'000
Current portion (secured):		
Term loans	2,453	2,454
Bankers' acceptance	5,240	3,917
Hire purchase (see Note B12 below)	20	20
	<u>7,713</u>	<u>6,391</u>
Non-current portion (secured):		
Term loans	9,335	9,946
Bankers' acceptance	-	-
Hire purchase (see Note B12 below)	67	72
	<u>9,402</u>	<u>10,018</u>
Total borrowings	<u>17,115</u>	<u>16,409</u>

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NOTES TO THE FINANCIAL INFORMATION
FOR THE FIRST QUARTER ENDED 31 MARCH 2010 (UNAUDITED) (cont'd)

B11. Borrowings and Debts Securities (cont'd)

The Group's banking facilities are obtained from local financial institutions.

The term loans (pertaining to the subsidiary companies) are to finance building cost of Seelong factory, purchase of land and factory at Teluk Panglima Garang as well as purchase of plant and machineries. The loans are secured by a charge created over the asset in favour of the financial institutions and a corporate guarantee issued by the Company.

Other Group's banking facilities (all pertaining to certain subsidiary companies) are secured by way of corporate guarantee issued by the Company.

B12. Hire Purchase Payables

The Group's hire purchase payables as at the end of the financial reporting period are as follows:

	THE GROUP	
	As at 31-03-2010 RM'000	As at 31-12-2009 RM'000
Minimum hire purchase payment	101	107
Less: Future finance charges	(14)	(15)
Present value of hire purchase payables	87	92
Less: Current portion (see Note B11 above)	(20)	(20)
Non-current portion (see Note B11 above)	67	72

B13. Derivative Financial Instruments

As at 31 March 2010, the Group has entered into the short-term foreign currency forward contract, to hedge its purchases denominated in foreign currency so as to limit the exposure to fluctuations in foreign exchange rates.

The details of the forward contracts are as follows:

Type of Derivatives	Contract/ Notional Value RM'000	Fair Value RM'000	Gain/(Loss) on Fair Value Changes RM'000
Foreign Currency Forward Contracts			
- Less than 1 year	5,523	5,384	(139)

All contracts entered by the Group are executed with creditworthy financial institutions in Malaysia. As a result, the credit risk or the risk of counterparties defaulting is minimal. The Group also has a low liquidity risk as it maintains sufficient fund to settle the entire derivative financial instruments when it fall due.

However, the Group is subject to market risk in term of foreign currency, on sales and purchases that are denominated in foreign currency other than Ringgit Malaysia. The Group maintains a nature hedge, whenever is possible, by matching the receivables and the payables in the same currency, any unmatched balances will be hedged by the forward foreign currency contracts.

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B14. Material Litigations

There was no pending material litigation since the date of last annual statement of financial position.

B15. Proposed Dividend

During the current financial reporting period under review, the Directors do not recommend any interim dividend for the financial period ended 31 March 2010.

The Board of Directors had recommended a proposed single tier final dividend of 2.5%, amounting to RM1,649,475, in respect of the financial year under review, subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

The said proposed dividend, if approved, will be payable on 26 July 2010 to the depositors registered in the Record of Depositors at the close of business on 29 June 2010.

B16. Authorisation for Issue

The interim financial statements were authorised for issued by the Board of Directors in accordance with a directors' resolution passed on 26 May 2010.