

## MAJOR TEAM HOLDINGS BERHAD (567427-W)

### UNAUDITED FIRST QUARTER REPORT ON CONSOLIDATED RESULTS CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Current Year Quarter 31/03/2010 RM'000	(Unaudited) Preceding Year Corresponding Quarter 31/03/2009 RM'000	(Unaudited) Current Year To Date 31/03/2010 RM'000	(Unaudited) Preceding Year Corresponding Period 31/03/2009 RM'000
Revenue	5,729	1,454	5,729	1,454
Other Operating Income	150	154	150	154
Operating Expenses	(6,607)	(2,894)	(6,607)	(2,894)
Finance Cost	(267)	(257)	(267)	(257)
Loss before taxation	(995)	(1,543)	(995)	(1,543)
Taxation	-	-	-	-
Loss for the financial year	(995)	(1,543)	(995)	(1,543)
Other comprehensive income	-	-	-	-
Total comprehensive income	(995)	(1,543)	(995)	(1,543)
Loss for the financial year attributable to:				
Equity holders of the parent	(995)	(1,543)	(995)	(1,543)
Minority interests	-	-	-	-
	(995)	(1,543)	(995)	(1,543)
Total comprehensive income attributable to:				
Equity holders of the parent	(995)	(1,543)	(995)	(1,543)
Minority interests	-	-	-	-
	(995)	(1,543)	(995)	(1,543)
Loss per share attributable to equity holders of the parent:				
Basic (sen)	(1.006)	(1.561)	(1.006)	(1.561)
Fully diluted (sen)	(1.006)	(1.560)	(1.006)	(1.560)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this interim financial report.

## MAJOR TEAM HOLDINGS BERHAD (567427-W)

### UNAUDITED FIRST QUARTER REPORT ON CONSOLIDATED RESULTS CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2010

	(Unaudited) As at end of current quarter 31/03/2010 RM'000	(Audited) As at preceding financial year end 31/12/2009 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	18,293	18,648
Prepaid lease payment	14,764	14,860
	33,057	33,508
<b>Current Assets</b>		
Amount owing by customers on contracts	-	-
Inventories	35,305	34,869
Trade receivables	5,646	5,934
Other receivables	1,379	1,576
Cash and bank balances	55	104
	42,385	42,483
<b>TOTAL ASSETS</b>	<b>75,442</b>	<b>75,991</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
SHARE CAPITAL	98,877	98,877
ACCUMULATED LOSSES	(53,394)	(52,399)
<b>TOTAL EQUITY</b>	<b>45,483</b>	<b>46,478</b>
<b>Non-Current Liabilities</b>		
Hire purchase payables	305	330
Deferred tax liabilities	288	289
	593	619
<b>Current Liabilities</b>		
Amount owing to customers on contracts	2,190	2,510
Trade payables	2,744	1,902
Other payables	3,383	3,768
Hire purchase payables	89	88
Bank borrowings	18,651	18,317
Taxation	2,309	2,309
	29,366	28,894
<b>Total Liabilities</b>	29,959	29,513
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>75,442</b>	<b>75,991</b>
	-	-
<b>Net Assets per share attributable to ordinary equity holders of the parent (RM)</b>	<b>0.46</b>	<b>0.47</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this interim financial report.

## MAJOR TEAM HOLDINGS BERHAD (567427-W)

### UNAUDITED FIRST QUARTER REPORT ON CONSOLIDATED RESULTS CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

	-----Attributable to Equity Holders of the Parent -----					
	Share Capital RM'000	Non-distributable- RCULS RM'000	<---Distributable---> Accumulated Losses RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
At 1 January 2009	98,877	-	(44,290)	54,587	-	54,587
Total comprehensive income	-	-	(1,543)	(1,543)	-	(1,543)
At 31 March 2009	<u>98,877</u>	<u>-</u>	<u>(45,833)</u>	<u>53,044</u>	<u>-</u>	<u>53,044</u>
At 1 January 2010	98,877	-	(52,399)	46,478	-	46,478
Total comprehensive income	-	-	(995)	(995)	-	(995)
At 31 March 2010	<u>98,877</u>	<u>-</u>	<u>(53,394)</u>	<u>45,483</u>	<u>-</u>	<u>45,483</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this interim financial report.

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### UNAUDITED FIRST QUARTER REPORT ON CONSOLIDATED RESULTS CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

	<b>3 MONTHS ENDED 31/03/2010 RM'000</b>	<b>3 MONTHS ENDED 31/03/2009 RM'000</b>
Net cash (used in)/from operating activities	(330)	381
Net cash used in investing activities	(29)	(321)
Net cash from/(used in) financing activities	382	(186)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>23</b>	<b>(126)</b>
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>(8,879)</b>	<b>(8,614)</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b>(8,856)</b>	<b>(8,740)</b>
 <b>Cash and cash equivalents at the end of the financial period comprise the following:</b>		
Cash and bank balances	55	169
Bank overdraft	(8,911)	(8,909)
	<b>(8,856)</b>	<b>(8,740)</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this interim financial

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**SECTION A - NOTES TO THE INTERIM FINANCIAL REPORT**

**A1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with the requirement of FRS 134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Board.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st December 2009.

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 31st December 2009.

**A2. Adoption of New/Revised Financial Reporting Standards**

The significant accounting policies adopted in the interim financial report are consistent with those adopted by the Group in the audited financial statements for the financial year ended 31st December 2009 except for the adoption of the following applicable new and revised FRSs, Issues Committee (“IC”) Interpretations and amendments to FRSs and IC Interpretations which are relevant to the Group’s operations with effect from 1 January 2010:

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of financial statements (revised)
FRS 123	Borrowing Costs (revised)
FRS 139	Financial Instruments: Recognition and Measurement (revised)
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 14	FRS119-The limit on a defined Benefit Asset, Minimum Funding Requirements and their Interaction

Amendments to FRS 1, First-time Adoption Financial Reporting Standards and FRS 127, Consolidated and Separate Financial Statements- Cost of an investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 139, Financial Instruments: Recognition and Measurement, FRS 7, Financial Instruments: Disclosures and IC Interpretation 9, Reassessment of Embedded Derivatives

Amendments to FRSs contained in the document entitled “Improvements to FRSs (2009)”

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The new FRSs, revised FRSs, IC Interpretations, amendments to FRSs and IC Interpretations will have no material impact on the financial statements of the Group upon their initial application except for the changes in disclosures arising from the adoption of FRS 7, FRS 8 and FRS 101.

As at 31st March 2010, the following FRSs, IC Interpretations and amendments to FRSs were in issue but not yet effective and have not been applied by the Group:

FRS 1	First-time Adoption of Financial Reporting Standards (revised)
FRS 3	Business Combinations (revised)
FRS 127	Consolidated & Separate Financial Statements (revised)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 15	Agreements for Construction of Real Estate
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures of First-time Adopters
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation - paragraphs 95A, 97AA and 97AB - paragraphs 11,16 and 97E

**A3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31st December 2009 was not qualified.

**A4. Seasonal or Cyclical Factors**

The operations of the Group during the quarter have not been affected by any material seasonal or cyclical factors.

**A5. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter under review because of their nature, size or incidence.

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**A6. Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial year/quarter which have a material effect in the current quarter results.

**A7. Debt and Equity Securities**

There have been no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasure shares and resale of treasury shares during the current quarter under review.

**A8. Dividends Paid**

No interim dividend has been paid or declared during the current quarter under review.

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**A9. Segmental Reporting**

No other segmental information such as segment assets, segment liabilities and segment results is presented as the Group is principally involved in the dimension stone industry and operates from Malaysia only.

**A10. Valuation of Property, Plant and Equipment**

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual financial statements.

The Group did not carry out any valuation on its property, plant and equipment during the current quarter.

**A11. Changes in Composition of the Group**

There were no other changes in the composition of the Group during the current quarter under review.

**A12. Changes in Contingent Liabilities and Contingent Assets**

	<b>31.03.2010</b>	<b>31.3.2009</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Secured</b>		
Banker's guarantees in favour of the local authorities for the purpose of construction contracts	<b>220</b>	<b>230</b>

There were no contingent assets as at the date of this interim financial report.

**A13. Discontinued Operations**

There were no discontinued operations events during the current quarter under review.

**A14. Capital Commitment**

There was no capital commitment as at the date of this interim financial report.

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**A15. Material events subsequent to the end of the current financial period**

In the opinion of the Directors, there are no items, transactions or events of a material and unusual nature which have arisen from 31st March 2010 to the date of this announcement, which would substantially affect the financial results of the Group for the current quarter.

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**SECTION B - ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S  
LISTING REQUIREMENTS**

**B1. Review of Performance of the Company and its Principal Subsidiaries**

For the current quarter under review, the Group revenue was higher by RM4.275 million (294%) compared to the corresponding quarter last year mainly due to higher revenue achieved from export sales in the current quarter. The Group incurred a loss before taxation of RM0.995 million for the current quarter compared to a higher loss before taxation of RM1.543 million in the corresponding period last year due to reversal of stock write down of RM1.016 million as a result of the increased sales price in certain stock.

**B2. Variation of Results Against Preceding Quarter**

Group revenue for the current quarter of RM5.729 million was lower by RM1.810 million (24%) compared to RM7.539 million in the preceding quarter, mainly due to higher revenue from a completed project in the preceding quarter. Loss before taxation in the preceding quarter of RM7.040 million compared to RM0.995 million recorded in the current quarter mainly due to inventories write down of RM 3.6 million and loss incurred on a completed project in preceding quarter.

**B3. Prospects Commentary**

In view of the current competitive market conditions, particularly cheaper imports from China, the Group's prospects remain very challenging.

**B4. Profit Forecast and Profit Guarantee**

The Group has not issued any profit forecast to the public and has not given any profit guarantee for the financial period.

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**B5. Taxation**

No provision for current taxation has been made in the financial statements of the Group due to tax loss in the financial period ended 31st March 2010.

**B6. Unquoted Investments and/or Properties**

There were no disposals of any unquoted investments and/or properties during the current quarter under review.

**B7. Quoted Investments**

There were no purchases or disposals of quoted investment during the current quarter under review.

**B8. Status of Corporate Proposal Announced**

There were no corporate proposals during the current quarter under review.

**B9. Group Borrowings**

The Group borrowings as at the end of the reporting quarter are as follows:

	<u>Total outstanding</u> RM'000	<u>Repayable within 12 months</u> RM'000	<u>Repayable after 12 months</u> RM'000
<u>Secured</u>			
Bank overdraft	8,911	8,911	-
Bills payable	9,740	9,740	-
	18,651	18,651	-

The group borrowings are with a local financial institution and denominated in Ringgit Malaysia.

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**B10. Off Balance Sheet Financial Instruments**

The Group does not have any off balance sheet financial instruments as at the date of this interim financial report.

**B11. Material Litigation**

The Group is not involved in any material litigation as at the date of this interim financial report, which has a material effect on the financial position of the Group.

**B12. Dividend Payable**

No interim dividend has been declared as at the date of this interim financial report.

**B13. Basic and Fully diluted Earnings per Share**

The calculation of basic earnings per share is based on the consolidated loss after taxation and minority interest for the current quarter of RM0.995 million divided by the weighted average number of 98,877,380 shares (31 March 2009: RM1.543 million and 98,877,380 shares).

The calculation of fully diluted earnings per share is based on the consolidated loss after taxation and minority interest for the current quarter of RM0.995 million divided by the adjusted weighted average number of 98,877,380 shares (31 March 2009: RM1.543 million and 98,900,416 shares).

**By Order of the Board of Directors**

**Company Secretary**  
**25<sup>th</sup> May 2010**