

**HEITECH PADU BERHAD**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	2008	2009	2008
	Current quarter ended 31 December	Comparative quarter ended 31 December	12 months cumulative to date	Comparative 12 months cumulative to date
	RM'000	RM'000	RM'000	RM'000
Revenue	156,579	154,889	422,979	458,973
Other Income	2,427	28,798	6,413	32,106
Total Income	<u>159,006</u>	<u>183,687</u>	<u>429,392</u>	<u>491,079</u>
Staff Costs	(19,266)	(17,059)	(58,742)	(66,300)
Purchase of Hardware and Software	(15,525)	(26,506)	(31,956)	(52,758)
Leaseline Rental	(15,131)	(15,952)	(55,283)	(54,370)
Maintenance cost	(10,492)	(16,412)	(79,786)	(85,191)
Bulk mailing operating costs	(6,510)	(7,883)	(29,679)	(27,582)
Depreciation	(2,792)	(4,670)	(14,565)	(16,652)
Television program production cost	(1,047)	(2,758)	(7,160)	(12,484)
Professional fees	(4,961)	(4,755)	(14,575)	(7,711)
Project implementation cost	(55,229)	(54,213)	(62,615)	(71,628)
Other Operating Expenses	(12,715)	(6,065)	(51,288)	(53,977)
Total Operating Expenditure	<u>(143,668)</u>	<u>(156,273)</u>	<u>(405,649)</u>	<u>(448,653)</u>
Profit From Operations	15,338	27,414	23,743	42,426
Finance Costs	(5,146)	(2,375)	(6,049)	(5,662)
Share of Results of Associated Companies	1,051	7	(135)	1,148
Profit Before Taxation	<u>11,243</u>	<u>25,046</u>	<u>17,559</u>	<u>37,912</u>
Taxation	(3,443)	(3,998)	(6,776)	(6,779)
Profit After Taxation	<u>7,800</u>	<u>21,048</u>	<u>10,783</u>	<u>31,133</u>
Attributable to:				
Equity holders of the Company	7,840	20,146	10,058	29,661
Minority Interest	(40)	902	725	1,472
Net Profit Attributable to Shareholders	<u>7,800</u>	<u>21,048</u>	<u>10,783</u>	<u>31,133</u>
Number of Ordinary Shares of RM1.00 each	100,139	100,012	100,139	100,012
Earning per share attributable to equity holders of the parent:				
Basic for profit for the period	7.83	20.14	10.04	29.66

HEITECH PADU BERHAD  
 CONDENSED CONSOLIDATED BALANCE SHEET  
 FOR THE YEAR ENDED 31 DECEMBER 2009

	Unaudited 2009 As at 31 December RM'000	Audited 2008 As at 31 December RM'000
<b>NON-CURRENT ASSETS</b>		
Property, plant & equipment	83,508	88,602
Goodwill on consolidation	13,171	12,339
Intangible assets	4,312	6,618
Deferred expenditure	1,099	309
Investment in associate companies	2,164	2,299
Other investment	7,811	11,384
Trade debtors	123,539	93,676
Deferred Tax assets	44	15
<b>TOTAL NON-CURRENT ASSETS</b>	<b>235,648</b>	<b>215,242</b>
<b>CURRENT ASSETS</b>		
Inventories	1,148	619
Other debtors & prepayments	29,551	46,436
Tax recoverable	7,112	4,990
Trade debtors	144,292	127,041
Cash & bank balances	11,797	44,667
<b>TOTAL CURRENT ASSETS</b>	<b>193,900</b>	<b>223,753</b>
<b>CURRENT LIABILITIES</b>		
Trade creditors	90,941	91,183
Other creditors & accruals	39,474	39,462
Short term borrowings	12,333	18,168
Hire Purchase Creditors	875	898
Taxation	886	1,603
<b>TOTAL CURRENT LIABILITIES</b>	<b>144,509</b>	<b>151,314</b>
<b>NET CURRENT ASSETS</b>	<b>49,391</b>	<b>72,439</b>
	<b>285,039</b>	<b>287,681</b>
<b>FINANCED BY:</b>		
Share capital	100,139	100,012
Share Premium	16,517	16,517
Share Option Reserve	1,120	1,248
Retained profits	81,190	82,086
Shareholders' equity	198,966	199,863
Reserve arising from consolidation		
Minority interests	8,784	7,129
<b>Shareholders' Funds</b>	<b>207,750</b>	<b>206,992</b>
<b>Long Term Liabilities</b>		
Long term borrowings	70,002	74,780
Deferred Tax Liabilities	5,705	3,585
Hire Purchase Creditors	1,582	2,324
<b>Non-current liabilities</b>	<b>77,289</b>	<b>80,689</b>
	<b>285,039</b>	<b>287,681</b>
Net Asset per share attributable to ordinary equity holders of the parent (RM)	1.81	1.81

**HEITECH PADU BERHAD**  
**CONDENSED CASH FLOW STATEMENTS FOR THE**  
**FINANCIAL YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	Year ended 31 December	Year ended 31 December
	RM'000	RM'000
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	17,559	37,912
Adjustment for:		-
Depreciation	14,565	16,652
Interest expense	6,049	5,662
Provision for doubtful debt	3,929	6,312
Writeback of doubtful debt	(1,216)	(2,439)
Provision for diminution in value of investment	-	2,949
ESOS Reserve	(127)	359
Amortisation of deferred expenditure/ intangibles	1,706	2,306
Share of (profit)/ loss from associated companies	135	(1,148)
(Gain)/loss on disposal of property, plant and equipment	(2,820)	(28,001)
Loss/(gain) on disposal of investment	-	-
Interest income	(185)	(188)
Intangible assets written off	-	5,471
Unrealised foreign exchange net	-	(89)
	-	-
Operating profit before working capital changes	39,595	45,758
(Increase)/Decrease in inventories	(529)	(206)
(Increase)/Decrease in receivables	(31,926)	(38,769)
Increase/ (Decrease) in payables	(230)	(37,628)
Cash generated from operations	6,910	(30,845)
Interest paid	(6,049)	(5,662)
Taxation paid	(7,494)	(7,588)
Net cash generated from operating activities	(6,633)	(44,095)
	-	-
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
	-	-
Interest received	185	188
Proceeds from issuance of shares	127	-
Purchase of investments	(100)	(5,590)
Purchase of property, plant and equipment	(16,085)	(22,165)
Proceed from disposal of property, plant and equipment	9,435	65,048
Acquisition of a subsidiary	3,597	-
Software development cost incurred	-	(2,483)
Net cash used in investing activities	(2,841)	34,998
	-	-
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
	-	-
Dividend paid	(12,017)	(15,542)
Dividend paid to Minority Interest	-	(714)
Net of drawdown/ (repayment) of borrowings and hire	(17,942)	19,840
Net cash generated from / (used in) financing activities	(29,959)	3,584
	-	-
	-	-
<b>NET INCREASE/( DECREASE) IN CASH &amp; CASH EQUIVALENT</b>	(39,433)	(5,513)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	38,898	44,411
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	(535)	38,898
	-	-
<b>CASH &amp; CASH EQUIVALENT COMPRISE:</b>		
	-	-
Cash at bank	11,203	44,469
Fixed deposits at licensed banks	594	198
Overdrafts	(12,333)	(5,769)
	(535)	38,898

*The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Accounts for the year ended 31/12/2008.  
The document forms part of quarterly announcement for period ended 31/12/2009*

**HEITECH PADU BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

For the year ended 31 December 2009	Share capital	Non- distributable		Distributable	Total	Minority	Total
	RM'000	Share premium	Share Option reserves	Retained profits		Interest	
At 1 January 2009	100,012	16,517	1,248	82,086	199,863	7,129	206,992
Issuance of ordinary shares pursuant to ESOS	127	-	(127)	-	-	-	-
Additional acquisition of shares in a subsidiary	-	-	-	-	-	1,185	1,185
Reserve on exchange difference	-	-	-	1,062	1,062	-	1,062
Net profit for the period	-	-	-	10,058	10,058	725	10,783
Dividends	-	-	-	(12,017)	(12,017)	(255)	(12,272)
At 31 December 2009	<u>100,139</u>	<u>16,517</u>	<u>1,121</u>	<u>81,189</u>	<u>198,966</u>	<u>8,784</u>	<u>207,750</u>

**For the year ended 31 December  
2008**

At 1 January 2008	100,012	16,517	889	77,976	195,394	6,370	201,764
Share option issued during the year	-	-	359	-	359	-	359
Net profit for the year	-	-	-	29,660	29,660	1,473	31,133
Dividends	-	-	-	(25,550)	(25,550)	(714)	(26,264)
At 31 December 2008	<u>100,012</u>	<u>16,517</u>	<u>1,248</u>	<u>82,086</u>	<u>199,863</u>	<u>7,129</u>	<u>206,992</u>



**UNAUDITED RESULTS FOR  
THE FINANCIAL PERIOD ENDED 31 DECEMBER 2009**

**Notes to The Financial Statements**

**1. BASIS OF PREPARATION**

The interim financial statements have been prepared under the historical cost convention. The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008. 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 year ended 31 December 2008.

**2. CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2008.

**3. STATUS ON QUALIFIED FINANCIAL STATEMENTS**

Not applicable.

**4. SEASONAL OR CYCLICAL FACTORS**

The principal business operations of the Group are not significantly affected by seasonality or cyclical factors.

**5. UNUSUAL ITEMS**

Other than disclosed in the financial statements, there were no unusual items affecting the financial statements for the financial year under review.

**6. CHANGES IN ESTIMATES**

There were no significant changes in estimates that materially affect the financial statements for the financial year under review.

*This document forms part of the unaudited quarterly announcement of HeiTech Group for the financial year ended 31/12/2009.*



**HEITECH PADU BERHAD**  
Company No: 310628-D

**7. DEBTS AND EQUITY SECURITIES**

There were no repayment and issuance of debt securities, share buy-backs, share cancellation, share held as treasury shares and resale of treasury shares for the financial period under review.

**8. DIVIDENDS PAID**

No dividend was paid out in the financial period under review.

**9. SEGMENTAL REPORTING**

The segmental reporting is disclosed separately for the bulk mailing outsourcing contribution and television content services. The segmental reporting by business segment is reflected below:

As at 31 December 2009	IT related products and services	Bulk mailing outsourcing services	Television content services	Consolidation Adjustments	Consolidated
<b>REVENUE</b>	RM '000	RM '000	RM '000	RM '000	RM '000
External	377,777	42,061	11,337	(8,195)	422,979
<b>RESULT</b>					
Profit for the year	9,569	1,472	1,682	(1,940)	10,783

**10. VALUATION OF PROPERTY, PLANT & EQUIPMENT**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

There was no valuation of the property, plant and equipment during the current quarter under review.

**11. SUBSEQUENT EVENTS**

There was no material event from 31 December 2009 to the date of this announcement, which affects substantially the results of the operations of the Group for the year ended 31 December 2009 in respect of which this announcement is made.

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**HEITECH PADU BERHAD**  
Company No: 310628-D

**12. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no other material changes to the composition of the Group besides as disclosed above in the current financial year under review.

**13. CAPITAL COMMITMENTS**

The amount of commitments for purchase of property, plant & equipment not provided for in the interim financial statements as at 31 December 2009 are as follows:

	<b>Unaudited Financial Year 31/12/09 RM'000</b>
Approved and contracted for	<u>1,112</u>
Approved but not contracted for	<u>7,768</u>

**14. CONTINGENT LIABILITIES**

There were no contingent liabilities for the Group as at 17 February 2010 being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

**15. REVIEW OF PERFORMANCE**

The Group recorded revenue of RM423,000,000 for the financial year ended 31 December 2009, a decrease of RM36,000,000 or 9% relative to the previous financial period ended 31 December 2008. The decrease in revenue was mainly attributable to the decline in trading of hardware and software from the System Integration business for the current period.

The Group recorded profit before taxation of RM17,559,000 for the financial year ended 31 December 2009, a decrease of RM19,587,000 or 52% relative to the financial year ended 31 December 2008. The decrease was mainly due to one-time gain from sales of property, plant and equipment in the year ended 31 December 2008.

The Group further recorded a profit after taxation of RM10,783,000 for the financial year ended 31 December 2009. This represents a decrease of RM19,584,292 or 64% compared to the previous financial year ended 31 December 2008 as a result of decrease in profit before taxation as mentioned above.



## HEITECH PADU BERHAD

Company No: 310628-D

### 16. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The group recorded revenue of RM156,579,000 for the current quarter ended 31 December 2009, an increase of RM 61,899,000 or 65% relative to the preceding quarter ended 30 September 2009.

The increase in revenue was mainly attributed to the significant completion of System Integration business, additional maintenance services and trading of hardware and software for the current period.

The Group recorded profit before taxation of RM11,243,000 for the current quarter ended 31 December 2009, an increase of RM12,773,000 relative to the preceding quarter ended 30 September 2009.

The increase was mainly due to the additional profit resulted from the increase in revenue as mentioned above and significant reduction in losses of an associated company.

### 17. PROSPECTS IN THE CURRENT FINANCIAL YEAR

The Group expects to remain profitable for the current financial year.

### 18. VARIANCE ON FORECASTED PROFIT

Not Applicable.

### 19. TAXATION

The taxation of the Group for the financial year under review is as follows:-

	<b>Current Quarter <u>31/12/2009</u> RM'000</b>	<b>Accumulated Current Year <u>31/12/2009</u> RM'000</b>
Current Taxation	3,443	6,776

### 20. PROFIT ON SALE OF INVESTMENTS

There were no profits on sale of investment and/or investment properties for the financial period under review.

### 21. QUOTED SECURITIES

There were no acquisitions or disposal of quoted securities for the financial year under review.

*This document forms part of the unaudited quarterly announcement of HeiTech Group for the financial year ended 31/12/2009.*





**HEITECH PADU BERHAD**  
Company No: 310628-D

**22. CORPORATE DEVELOPMENTS**

There were no corporate developments during the financial year under review.

**23. GROUP BORROWINGS AND DEBT SECURITIES**

As at 31 December 2009, the Group has the following borrowings which are denominated in Ringgit Malaysia from a local financial institution:-

	<b>Total RM'000</b>
<b>Secured:</b>	
<u>Short Term Borrowings</u>	
Hire Purchase Creditor due within 12 months	875
Other short term borrowings due within 12 months	12,333
	<u>13,208</u>
<u>Long Term Borrowings</u>	
Hire Purchase Creditor due after 12 months	1,582
Other long term borrowings due after 12 months	70,002
	<u>71,584</u>
Total	<u>84,792</u>

**24. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

The Group does not have any financial instruments with off balance sheet risk as at 17 February 2010 being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

**25. MATERIAL LITIGATIONS**

The Group is not engaged in any material litigations, claims or arbitration either as plaintiff or defendant as at 17 February 2010, being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

**26. PROPOSED DIVIDEND**

There was no dividend proposed in respect of the current financial year during the financial period under review.



**HEITECH PADU BERHAD**  
Company No: 310628-D

**27. EARNINGS PER SHARE**

	<b><u>Current Quarter 31/12/2009</u></b>	<b><u>Accumulated Current Year 31/12/2009</u></b>
<b><u>a) Basic</u></b>		
Net profit attributable to ordinary equity holders of the parent company (RM'000)	7,840	10,058
Weighted average number of ordinary shares in Issue ('000)	100,139	100,139
<b>Basic earnings per share (sen)</b>	<b><u>7.83</u></b>	<b><u>10.04</u></b>
<b><u>b) Diluted</u></b>		
Net profit attributable to ordinary equity holders of the parent company (RM'000)	7,840	10,058
Weighted average number of ordinary shares in Issue ('000)	100,139	100,139
Adjusted for :		
Assume shares issued from exercise of options ('000)	2,004	1,877
Effect of the dilution of share option ('000)	102,143	102,016
	<b><u>7.64</u></b>	<b><u>9.86</u></b>

**28. SIGNIFICANT EVENTS**

There were no significant events during the financial year under review.

By Order of the Board

**KHAERUDDIN BIN SUDHARMIN (LS007037)**  
**NORISWADI BIN HAJI ISMAIL (LS0008892)**

Secretary