

# KNM GROUP BERHAD

(Company No:521348-H)  
(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009 (Unaudited)

### 1. CONDENSED CONSOLIDATED INCOME STATEMENTS

	Individual Quarter		Cumulative Year to date	
	Unaudited 3 months ended 31.12.2009 RM'000	Unaudited 3 months ended 31.12.2008 RM'000	Unaudited 31.12.2009 RM'000	Audited 31.12.2008 RM'000
<b>Contract revenue</b>	398,609	851,931	1,821,668	2,528,750
<b>Operating (loss)/profit</b>	(61,865)	168,666	210,513	511,532
Financing costs	(12,996)	(15,407)	(72,038)	(64,643)
Interest income	798	1,694	6,552	6,832
Goodwill written off	-	-	-	-
Share of profit/(loss) of jointly controlled entities	(475)	-	(552)	-
<b>(Loss)/Profit before tax</b>	(74,538)	154,953	144,475	453,721
Tax expense	42,762	(72,429)	23,563	(117,489)
<b>Net (loss)/ profit for the period</b>	(31,776)	82,524	168,038	336,232
Attributable to:				
Equity holders of the parent	(31,046)	82,553	170,747	336,383
Minority interest	(730)	(29)	(2,709)	(151)
	(31,776)	82,524	168,038	336,232
Earnings per share:				
- Basic (sen)	(0.79)	2.16	4.33	8.80
- Diluted (sen)	N/A	2.14	N/A	8.71

The notes set out on pages 5 to 14 form an integral part of and should be read in conjunction with this interim financial report

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## 2. CONDENSED CONSOLIDATED BALANCE SHEETS

	NOTE	Unaudited As at 31.12.2009 RM'000	Audited As at 31.12.2008 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible Assets		782,670	845,806
Goodwill		943,182	928,168
Property, plant and equipment		817,815	734,655
Other investment		5,065	4,932
Prepaid lease payments		20,466	18,022
Deferred Tax Asset		47,926	36,351
		<u>2,617,124</u>	<u>2,567,934</u>
<b>Current assets</b>			
Inventories		104,151	97,166
Contracts work in progress		372,236	616,548
Trade and other receivables		384,640	634,620
Cash and cash equivalents		571,938	516,303
		<u>1,432,965</u>	<u>1,864,637</u>
<b>TOTAL ASSETS</b>		<u>4,050,089</u>	<u>4,432,571</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		1,001,093	989,610
Treasury Shares		(34,132)	(21,006)
Reserves		953,318	845,289
		<u>1,920,279</u>	<u>1,813,893</u>
<b>Minority interest</b>		<u>6,970</u>	<u>6,224</u>
<b>Total Equity</b>		<u>1,927,249</u>	<u>1,820,117</u>
<b>Non-current liabilities</b>			
Long term payable		31,578	30,672
Long service leave liability		3,016	2,514
Loans and borrowings	B9	627,098	296,722
Deferred taxation		352,719	429,361
		<u>1,014,411</u>	<u>759,269</u>
<b>Current liabilities</b>			
Payables and accruals		382,821	540,509
Customers advance for contract work in progress		96,204	162,102
Loans and borrowings	B9	628,341	1,133,667
Current tax liabilities		1,063	16,907
		<u>1,108,429</u>	<u>1,853,185</u>
<b>Total liabilities</b>		<u>2,122,840</u>	<u>2,612,454</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>4,050,089</u>	<u>4,432,571</u>
Net assets per share attributable to equity holders of the parent (RM)		<u>0.48</u>	<u>0.46</u>

The notes set out on pages 5 to 14 form an integral part of and should be read in conjunction with this interim financial report

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

	← Attributable to equity holders of the parent →				Distributable Reserve		Minority Interest RM'000	Total equity RM'000
	Share Capital RM'000	Treasury Share RM'000	Share Premium RM'000	Revaluation and Other Reserve RM'000	(Accumulated Loss) / Retained Profit RM'000	Total RM'000		
<b>As at 1 January 2008 (Audited)</b>	261,646	-	571	(8,112)	301,365	555,470	199	555,669
Acquisition of equity interest in subsidiary	-	-	-	-	-	-	6,327	6,327
Acquisition of minority interest	-	-	-	-	-	-	(199)	(199)
Issue of shares pursuant to:								
- ESOS	2,682	-	1,558	-	-	4,240	-	4,240
- Bonus issue	659,348	-	(659,348)	-	-	-	-	-
Rights Issue	65,934	-	989,010	-	-	1,054,944	-	1,054,944
Share Buy Back	-	(21,006)	-	-	-	(21,006)	-	(21,006)
Expenses not recognised in income statement								
-Share issue expenses	-	-	(13,221)	-	-	(13,221)	-	(13,221)
Share-based payments	-	-	-	565	-	565	-	565
Transfer to share premium for share options exercised	-	-	569	(569)	-	-	-	-
Reduction of deferred tax liabilities arising from changes in deferred tax rate used	-	-	-	470	-	470	-	470
Currency translation differences arising in the year	-	-	-	(72,887)	-	(72,887)	48	(72,839)
Net Profit for the year	-	-	-	-	336,383	336,383	(151)	336,232
Dividend paid	-	-	-	-	(31,065)	(31,065)	-	(31,065)
<b>As at 31 December 2008 (Audited)</b>	<b>989,610</b>	<b>(21,006)</b>	<b>319,139</b>	<b>(80,533)</b>	<b>606,683</b>	<b>1,813,893</b>	<b>6,224</b>	<b>1,820,117</b>
Changes in fair value of acquired subsidiary	-	-	-	-	-	-	1,453	1,453
Issue of shares pursuant to:								
- ESOS	11,483	-	-	-	-	11,483	-	11,483
Share Buy Back	-	(13,126)	-	-	-	(13,126)	-	(13,126)
Surplus on revaluation of property, plant and equipment	-	-	-	36,323	-	36,323	926	37,249
Transfer to share premium for share options exercised	-	-	287	(287)	-	-	-	-
Currency translation differences arising in the year	-	-	-	(49,833)	-	(49,833)	1,076	(48,757)
Net Profit for the year	-	-	-	-	170,747	170,747	(2,709)	168,038
Dividend paid	-	-	-	-	(49,208)	(49,208)	-	(49,208)
<b>As at 31 December 2009 (Unaudited)</b>	<b>1,001,093</b>	<b>(34,132)</b>	<b>319,426</b>	<b>(94,330)</b>	<b>728,222</b>	<b>1,920,279</b>	<b>6,970</b>	<b>1,927,249</b>

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## CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	31.12.2009	31.12.2008
	RM	RM
	'000	'000
	Unaudited	Audited
Net cash generated from operating activities	432,556	174,336
Net cash used in investing activities	(89,703)	(1,766,465)
Net cash (used in )/generated from financing activities	(287,068)	2,010,049
Net (decrease)/increase in cash and cash equivalents	55,785	417,920
Cash and cash equivalents at beginning of year	516,153	98,233
Cash and cash equivalents at end of year	<u>571,938</u>	<u>516,153</u>
Cash & bank balances	472,151	361,024
Deposits with financial institutions	30,349	26,078
Deposits with licensed banks	69,438	129,201
	<u>571,938</u>	<u>516,303</u>
Bank overdraft	-	(150)
	<u>571,938</u>	<u>516,153</u>

The notes set out on pages 5 to 14 form an integral part of and should be read in conjunction with this interim financial report

**Notes to the quarterly Interim Financial Report – 31 December 2009**

**PART A: EXPLANATORY NOTES AS PER FRS 134**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirement 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.

**A2. Significant Accounting Policies**

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

At the date of authorisation of these interim financial statements, the following FRSs and interpretations were issued but not yet effective and have not been applied by the Group:

FRSs and Interpretations		Effective for financial periods beginning on or after
FRS 1 (revised)	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 (revised)	Business Combinations	1 July 2010
FRS 4	Insurance Contract	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 101	Presentation of Financial Statements	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2010
Amendment to FRS 2	Share-based Payment: Vesting Conditions and Cancellation	1 January 2010
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2010
Amendment to FRS 7	Financial Instruments: Disclosures	1 January 2010
Amendment to FRS 8	Operating Segments	1 January 2010
Amendment to FRS 107	Statement of Cash Flows	1 January 2010
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendment to FRS 110	Events after the Reporting Period	1 January 2010
Amendment to FRS 116	Property, Plant and Equipment	1 January 2010

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Amendment to FRS 117	Leases	1 January 2010
Amendment to FRS 118	Revenue	1 January 2010
Amendment to FRS 119	Employee Benefits	1 January 2010
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2010
Amendment to FRS 123	Borrowing Costs	1 January 2010
Amendment to FRS 127	Consolidated and Separate Financial Statements: Cost of Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendment to FRS 128	Investment in Associates	1 January 2010
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendment to FRS 131	Interest in Joint Venture	1 January 2010
Amendment to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendment to FRS 134	Interim Financial Reporting	1 January 2010
Amendment to FRS 136	Impairment of Assets	1 January 2010
Amendment to FRS 138	Intangible Assets	1 January 2010
Amendment to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendment to FRS 140	Investment Property	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2-Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119-The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distribution of Non-cash Assets to Owners	1 July 2010
Amendment to IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010 and 1 July 2010

The adoption of the above FRSs and Interpretations upon their effective dates are not expected to have any significant impact on the interim financial statements of the Group. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon its initial application of FRS 7 and FRS 139.

**A3. Qualification of annual financial statements**

There were no audit qualifications on the annual financial statements of the Group for the year ended 31 December 2008.

**A4. Seasonal and cyclical factors**

The Group's business operation results were not materially affected by any major seasonal or cyclical factors.

**A5. Unusual nature and amount of items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual nature and amount of items affecting assets, liabilities, equity, net income or cash flows for the current quarter and financial period to date.

**A6. Material changes in estimates**

There were no material changes in estimates of amount reported in the current quarter.

**A7. Issuances and repayment of debt and equity securities**

A. There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial period to date other than those stated below:

	RM'000
Opening Balance of ICP/IMTN outstanding as at 1 January 2009	300,000
ICP/IMTN Drawdown/(Repayment)	<u>(30,000)</u>
Balance of ICP/IMTN outstanding as at 31 December 2009	<u>270,000</u>

As at 31 December 2009, the amount outstanding for Islamic Commercial Papers (“ICP”)/Islamic Medium Term Notes (“IMTN”) is RM270.0 million out of the limit of RM285.0 million, mainly used for repayment of bank borrowings and working capital. Under the program, up to RM150 million is fully underwritten by Malayan Banking Berhad & AMInvestment Bank Berhad and has a tenure of 7-years from the date of issuance.

B. Options relating to 15,127,200 and 5,034,080 ordinary shares of RM0.50 each were granted to eligible employees on 25 August 2004 and 7 December 2005 at an option price of RM1.63 and RM2.88 per share respectively with expiry date on 24 August 2009 pursuant to the Company’s Employees’ Share Option Scheme (ESOS). On 27 March 2008, an option of 300,000 ordinary shares of RM0.25 each was granted to a Non-Executive Director at an option price of RM4.58 pursuant to the Company’s Employees’ Share Option Scheme (ESOS). The Company’s Employees’ Share Option Scheme (ESOS) has expired on 24<sup>th</sup> August 2009 and a total of 45,930,400 were exercised during current year. After taking into account these new shares allotted, the issued and paid up shares of the Company increased to 4,004,370,375.

C. As at the date of this report, the Company has repurchased a total 58,079,500 of its issued shares capital from the open market. The average price paid for the shares repurchased was RM0.59 per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.

**A8. Dividend Paid**

No dividend was paid during the quarter under review.

**A9. Segment information**

Segmental analysis of the revenue and result:-

Business Segment:	<b>Revenue</b>	<b>Operating Profit</b>
	12 months ended 31.12.2009 RM'000	12 months ended 31.12.2009 RM'000
Process equipment	1,821,352	210,440
Others	316	73
	<u>1,821,668</u>	<u>210,513</u>

Geographical segments:	<b>Revenue</b>	<b>Operating Profit</b>
	12 months ended 31.12.2009 RM'000	12 months ended 31.12.2009 RM'000
Asia & Oceania	495,640	120,035
Europe & America	1,326,028	90,478
Total	<u>1,821,668</u>	<u>210,513</u>

**A10. Valuation of property, plant and equipment**

Property, plant and equipment of the Group are stated at cost/valuation less accumulated depreciation and accumulated impairment losses where applicable.

The carrying value of Freehold land and building on 31 December 2009 was reported base on revaluated amount derived from revaluation exercises carried out in quarter 4 2009 by independent qualified valuers using the comparison method to reflect their fair value.

**A11. Material events subsequent to the end of the interim period**

There was no material event subsequent to the end of the reporting period and up to the date of issuance of this report other than those disclosed under item no. B8.

**A12. Changes in the composition of the Group**

There were no changes in the composition of the Group for the current quarter and financial period to date other than those disclosed in item no. B8.

**A13. Changes in contingent liabilities**

There were no material changes in contingent liabilities for the Group as at the date of this announcement.



**A14. Capital commitments**

	Approved and contracted for RM'000	Approved but not contracted for RM'000
Property, plant and equipment	49,571	75,872
Investment	-	-
	<u>49,571</u>	<u>75,872</u>

**A15. Related party transactions**

Significant related party transactions for the financial period to date are as follows:

	RM '000
Inter Merger Sdn Bhd (a)	
- Office rental, related charges and administrative expense	1,765
I.M.Bina Sdn Bhd (b)	
-General construction and civil works	7,722
IMT O&G Solutions Sdn Bhd (Formerly known as Inter Merger Trading Sdn Bhd) (c)	
-Supply of production materials and fixed assets	60
Tofield Realty Development Corporation (d)	
- General and civil contractor and provider of staff accomodation	815
Nassir Hazza (e)	
- General construction, civil and related mechanical and engineering work	1,072
KPS Technology & Engineering LLC(f)	
-Provision/Receipt of mechanical and engineering, general administrative and other support services	2,323
-Provision/Receipt of qualifying services under the overseas head quarters (OHQ) status and other support services	

(a) a company in which, Mr. Lee Swee Eng and Madam Gan Siew Liat are directors

(b) a company in which Inter Merger Sdn Bhd is the holding company

(c) a company in which Inter Merger Sdn Bhd is the holding company

(d) a wholly-owned subsidiary of Asiavertek, of which Mr. Lee Swee Eng and Madam Gan Siew Liat are directors and shareholders

(e) Nassir Hazza is an entity controlled by Mohammed Nassir Hazza Al Fehaid Al Subaei, a director of KNM Saudi Limited Co

(f) a company in which Mr. Lee Swee Eng is a substantial shareholder

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS**

**B1. Review of performance**

The Group achieved revenue for year to date of RM1.82 billion, profit before tax and minority interest of RM144.48 million and EBITDA (Earning Before Interest, Tax, Depreciation and Amortisation) of RM329.59 million for the current year ended 31 December 2009. Compare to the previous year, the lower performance in this period is reflective of global economic slowdown and lower utilization of capacity.

**B2. Variation of results against preceding quarter**

The Group's revenue of RM398.61 million is lower by 13.03% compared to third quarter's revenue of RM458.35 million. While this quarter reported loss before taxation and minority interest of RM74.54 million as compared to third quarter net profit before taxation and minority interest of RM28.76 million. The loss being recognised for this quarter is due to global economic slowdown, revaluation of properties, provision for foreseeable losses and higher operating costs.

**B3. Current year prospects**

The Board is confident that the Group's results for the year 2010 will continue to be profitable.

**B4. Profit forecast**

Not applicable as no profit forecast was given.

**B5. Tax expense**

	<b>3 months ended 31.12.2009 RM'000</b>	<b>3 months ended 31.12.2008 RM'000</b>	<b>12 months ended 31.12.2009 RM'000</b>	<b>12 months ended 31.12.2008 RM'000</b>
Income Tax expense :-				
Current	(34,591)	60,412	59,807	84,852
Prior period	(3,460)	(1,919)	(5,706)	(9,934)
Deferred tax	(4,711)	13,936	(77,664)	42,571
	<u>(42,762)</u>	<u>72,429</u>	<u>(23,563)</u>	<u>117,489</u>

The Group's effective tax rate is lower than the statutory tax rate mainly due to the availability of certain tax incentives and changes in deferred tax liabilities/asset position.

**B6. Unquoted investments and properties**

The Group has not made or disposed any investments in any unquoted investments and properties for the current quarter and financial period to date.

**B7. Quoted and marketable investments**

There were no investments or disposals in quoted and marketable securities during the current quarter and financial period to date.

**B8. Status of corporate proposals announced but not completed**

- (1) KNM had on 4 February 2010 announced that the Company has on even date received from Blue Fire Capital Group Ltd (“Bidco”), an entity controlled by Ir. Lee Swee Eng, the Group Managing Director and major shareholder of KNM, a proposal to acquire the entire business and undertakings of KNM (“the Proposal”). The proposed price is equivalent to RM0.90 per issued ordinary share of KNM.

The Proposal is subject to, inter alia, satisfactory completion of due diligence, receipt of firm financing commitments, and negotiation and execution of definitive documentation relating to the proposed transaction. Bidco is acting in collaboration with GS Capital Partners VI Fund L.P and Mettiz Capital Limited and the international adviser is Goldman Sachs (Singapore) Pte.

- (2) The Proposed issuance of up to United States of America Dollar (“USD”) 350 million (or its Euro Dollar or Malaysia Ringgit equivalent) Bonds, exchangeable into new KNM Shares (“exchangeable bonds”) (“Proposed Exchangeable Bonds Issue”) was duly approved by the Company’s shareholders and Securities Commission (SC) in April 2008 and May 2008 respectively. SC has on 19 November 2009 further extended the proposed issuance approval to 30 November 2010.
- (3) On 29 July 2009, KNM’s wholly owned unit, KNM Process Systems Sdn Bhd (“KNMPS”), has entered into a Memorandum of Agreement (MoA) with the Societe Des Hydrocarbures Du Tchad (“ The National Oil Corp of Chad”)[or “SHT”] to establish a 60:40 JV Company (JVCo); whereby:- (a) the JVCo will be granted a 5-year concession to develop, operate and maintain the Sedigi Oilfield Facilities in Chad; (b) KNM will undertake a 24-months EPCC contract with an estimated value of USD220m (about RM777m); and (c) The JVCo will also award the training, operations and maintenance of the facilities to KNMPS for the concession period. Both parties agreed to execute the JV operating agreement by 31 August 2009 subject to further feasibility studies and detailed proposal to be undertaken by KNMPS.

On 1 September 2009, KNMPS announced that KNMPS has sought an extension of time up to 30 November 2009, to complete the feasibility studies and to finalise salient terms of the contract details with SHT. Subsequently, the Company has announced that the MOA has lapsed.

**B9. Group borrowings and debt securities**

The Group's borrowings as at the end of the reporting period were as follows:

	<b>RM'000</b>
<b>Short term:</b>	
Borrowings (secured)	185,594
Borrowings (unsecured)	256,316
ICP/IMTN	120,000
Bank Overdraft	-
Bill Payable	64,740
Hire Purchase	1,691
	<u>628,341</u>
<b>Long term :</b>	
Borrowings (secured)	394,025
Borrowings (unsecured)	73,278
IMTN	150,000
Hire Purchase	9,795
	<u>627,098</u>
	<u>1,255,439</u>

The above are also inclusive of other borrowings in foreign currency of RMB33.75 million, EURO40.53 million , CAD10.82 million, USD1.8 million and BRL10.00 million.

The exchange rates used are 1 RMB = RM 0.5030, 1 EURO = RM 4.9152, 1 CAD = RM 3.2687, 1 USD = RM 3.4292 and 1 BRL = RM 1.9773

**B10. Off balance sheet financial instrument**

There was no material financial instrument with off balance sheet risk as at the end of the period under review other than the following.

As at the end of the reporting period, followings are the available foreign exchange contract:-

Currency	Contracted Amount '000	Equivalent Amount in RM'000
USD	55,209	185,773
EURO	38,164	185,743
SGD	923	2,230
AUD	82	242
		<u>373,988</u>

Operation foreign exchange exposure on asset and liabilities are hedged accordingly on timely basis to protect its underlying values.

There are no significant credit and market risks posed by the above off balance sheet financial instruments.

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**B11. Material litigation**

As at the date of this announcement, there were no material litigation since the last annual balance sheet date.

**B12. Dividend payable**

There was no dividend declared or recommended during quarter under review.

**B13. Earnings per share**

	Individual Quarter		Cumulative Quarter	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
<b>(a) Basic earnings per share</b>				
Net(Loss)/ Profit attributable to shareholders (RM'000)	(31,046)	82,553	170,747	336,383
Number of shares at the beginning of the period ('000)	3,921,805	1,046,583	3,921,805	1,046,583
Effect of ESOS ('000)	30,642	6,481	30,642	6,481
Effect of Right Issue	-	138,010	-	138,010
Effect of Bonus issue ('000)	-	2,637,394	-	2,637,394
Effect of Share Buy Back	(11,125)	(6,207)	(11,125)	(6,207)
Weighted average number of shares ('000)	3,941,322	3,822,261	3,941,322	3,822,261
Basic earnings per share (sen)	(0.79)	2.16	4.33	8.80

**KNM GROUP BERHAD**  
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	Individual Quarter		Cumulative Quarter	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
<b>(b) Diluted earnings per share</b>				
Net (Loss)/Profit attributable to shareholders (RM'000)	(31,046)	82,553	170,747	336,383
Weighted average number of shares as per above ('000)	3,941,322	3,822,261	3,941,322	3,822,261
Number of shares under ESOS ('000)	-	46,247	-	46,247
Number of shares would have been issued at fair value('000)	-	(7,064)	-	(7,064)
Weighted average number of shares - diluted ('000)	3,941,322	3,861,444	3,941,322	3,861,444
Fully diluted earnings per share (sen)	N/A	2.14	N/A	8.71

The comparative basic and diluted earnings per share have been restated to take into account the effects of bonus issue.

There is no dilution in EPS during this quarter due to the Company's ESOS has expired.

**B14. Authorisation for issue**

The interim financial report was authorised for issue by the Board of Directors on 24 February 2010.