

PETERLABS HOLDINGS BERHAD (Company No. 909720-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30 September 2011 RM'000	Preceding Period Corresponding Quarter Ended 30 September 2010 RM'000	Current Period To Date Ended 30 September 2011 RM'000	Preceding Period To Date Ended 30 September 2010 RM'000
Revenue	11,267	N/A	34,241	N/A
Cost of sales	(8,208)	N/A	(24,707)	N/A
Gross profit	3,059	N/A	9,534	N/A
Other income	19	N/A	124	N/A
Selling and distribution expenses	(450)	N/A	(1,109)	N/A
Administration expenses	(1,498)	N/A	(4,322)	N/A
Other expenses	(167)	N/A	(278)	N/A
Operating profit	963	N/A	3,949	N/A
Finance cost	(64)	N/A	(242)	N/A
Profit before tax	899	N/A	3,707	N/A
Tax expense	(541)	N/A	(1,326)	N/A
(Loss)/Profit for the period	358	N/A	2,381	N/A
Other comprehensive income	-	N/A	-	N/A
Total comprehensive (loss)/income for the period	358	N/A	2,381	N/A
Total comprehensive (loss)/income attributable to the equity holders of the Company	358	N/A	2,381	N/A
Weighted average no. of ordinary shares in issue ('000)	177,121	N/A	177,121	N/A
(Loss)/Earnings per share (sen):				
-Basic	0.20	N/A	1.34	N/A
-Diluted	0.20	N/A	1.34	N/A

Notes:

N/A: Not applicable

- 1) The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the Financial year ended ("FYE") 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.
- 2) No comparative figures are available for the preceding period's individual and cumulative corresponding quarter as this is the third interim financial report being announced by the Company in compliance with Bursa Malaysia Securities Berhad ("Bursa Securities") ACE Market Listing Requirements ("Listing Requirements").

PETERLABS HOLDINGS BERHAD (Company No. 909720-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2011**

	UNAUDITED	AUDITED
	As at	As at
	30 September 2011	31 December 2010
	RM'000	RM'000
ASSETS		
Non-current asset		
Property, plant and equipment	12,706	12,717
	<u>12,706</u>	<u>12,717</u>
Current Assets		
Inventories	4,504	3,015
Trade receivables	16,123	15,037
Other receivables	287	1,154
Cash and bank balances	2,969	1,449
	<u>23,883</u>	<u>20,655</u>
TOTAL ASSETS	<u><u>36,589</u></u>	<u><u>33,372</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	18,800	17,300
Share premium	2,691	-
Unappropriated profit	5,053	2,672
	<u>26,544</u>	<u>19,972</u>
Non-controlling interests	-	-
Total equity	<u>26,544</u>	<u>19,972</u>
Non-current liabilities		
Hire purchase creditors	133	177
Borrowings	4,050	3,050
Deferred tax liabilities	59	59
	<u>4,242</u>	<u>3,286</u>
Current Liabilities		
Trade payables	2,695	3,088
Other payables	1,456	2,663
Hire purchase creditors	62	98
Borrowings	1,497	1,734
Bank overdraft	-	1,991
Tax payables	93	540
	<u>5,803</u>	<u>10,114</u>
Total Liabilities	<u>10,045</u>	<u>13,400</u>
TOTAL EQUITY AND LIABILITIES	<u><u>36,589</u></u>	<u><u>33,372</u></u>
Net assets per share attributable to ordinary equity holders of the Company (sen)	14.12	11.54

Note:

(1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2010.

PETERLABS HOLDINGS BERHAD (Company No. 909720-W)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011**

	Attributable to Equity Holders of the Company			
	<u>Non-Distributable</u>		<u>Distributable</u>	
	Share Capital RM'000	Share Premium RM'000	Retained Profits RM'000	Total equity RM'000
At date of incorporation	-	-	-	-
Issuance of shares - acquisition of subsidiaries	17,300	-	-	17,300
Total comprehensive income for the financial year	-	-	2,672	2,672
At 31 December 2010 (Audited)	<u>17,300</u>	<u>-</u>	<u>2,672</u>	<u>19,972</u>
Issuance of shares - initial public offering	1,500	3,000	-	4,500
Listing expenses	-	(309)	-	(309)
Total comprehensive income for the financial period	-	-	2,381	2,381
Balance at 30 September 2011 (Unaudited)	<u>18,800</u>	<u>2,691</u>	<u>5,053</u>	<u>26,544</u>

Notes:

1) The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2010.

2) Share Capital issued at the date of incorporation is RM2.

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(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011**

	Current Year To Date Ended 30 September 2011 (Unaudited) RM'000	Preceding Year To Date Ended 30 September 2010 (Unaudited) RM'000
OPERATING ACTIVITIES		
Profit before tax	3,707	N/A
Adjustments for:-		
- Non cash items	602	N/A
- Non-operating items	242	N/A
Operating profit before working capital changes	4,551	N/A
Changes in working capital		
Increase in inventories	(1,453)	N/A
Increase in trade and other receivables	289	N/A
Decrease in trade and other payables	(1,600)	N/A
Net cash generated from operations	1,787	N/A
Interest paid	(232)	N/A
Tax expense paid	(1,773)	N/A
Net cash flows used in operating activities	(218)	N/A
INVESTING ACTIVITY		
Purchase of property, plant and equipment	(504)	N/A
Net cash used in investing activity	(504)	N/A
FINANCING ACTIVITIES		
Drawdown of term loan	763	N/A
Payment of listing expenses	(940)	N/A
Interest paid	(10)	N/A
Repayment of hire purchase liabilities	(80)	N/A
Proceeds from public issue	4,500	N/A
Net cash from financing activities	4,233	N/A
Net Changes In Cash And Cash Equivalents	3,511	N/A
Cash And Cash Equivalents At The Beginning Of The Period	(542)	N/A
Cash And Cash Equivalents At The End Of The Period	2,969	N/A

Notes:

- 1) The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2010.
- 2) No comparative figures are available for the preceding year's cumulative corresponding quarter as this is the third interim financial report being announced by the Company in compliance with Listing Requirements.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

(a) **NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS 134 (FRS 134):
INTERIM FINANCIAL REPORTING**

A1. Basis of reporting preparation

The interim financial statements are unaudited and have been prepared in accordance with FRS 134: Interim Financial Reporting and Appendix 9B of the Listing Requirements.

The interim financial statements should be read in conjunction with the Audited Financial Statements of the Company for the FYE 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

A2. Adoption of New and Revised Accounting Policies

The accounting policies and methods of computation adopted by the Group in the quarterly financial report are consistent with those adopted in the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2010 as disclosed in the Prospectus of the Company dated 30 June 2011.

FRSs, Interpretations and amendments effective for financial periods beginning on or after 1 March 2010

Amendments to FRS 132 Classification of Rights Issues

FRSs, Interpretations and amendments effective for financial periods beginning on or after 1 July 2010

FRS 1	First-time Adoption of Financial Reporting Standards (revised)
FRS 3	Business Combinations (revised)
FRS 127	Consolidated and 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
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners

FRSs, Interpretations and amendments effective for financial periods beginning on or after 1 January 2011

Amendments to FRS 1	Limited Exemption from Comparative FRS 7
	Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 18	Transfers of Assets from Customers
Amendments to FRSs	'Improvements to FRSs (2010)'

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

Standards issued but not yet effective

The following standards and IC Interpretations are not yet effective and have not been early adopted by the Group and the Company:

FRSs, Interpretations and amendments effective for financial periods beginning on or after 1 July 2011

Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments

FRSs, Interpretations and amendments effective for financial periods beginning on or after 1 January 2012

FRS 124	Related Party Disclosures (revised)
IC Interpretation 15	Agreements for the Construction of Real Estate

The abovementioned standards which are applicable will be adopted by the Company on their respective effective dates.

The management do not anticipate that the application of the above new FRSs and IC Interpretations, when they are effective, will have a material impact on the results and the financial position of the Group.

A3. Auditors' report

There was no qualification on the Audited Financial Statements of the Groups for the FYE 31 December 2010.

A4. Seasonal or cyclical factors

The operations of the Group were not significantly affected by seasonal or cyclical factors during the current financial quarter under review.

A5. Items of unusual nature and amount

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group during the quarter under review.

A6. Material changes in estimates

There were no changes in estimates that had a material effect in the current quarter and period to date results.

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QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

A7. Issuance, cancellations, repurchase, resale and repayment of debt and equity securities

In conjunction with and as an integral part of the listing of PeterLabs Holdings Berhad (“PeterLabs”) on the ACE Market of Bursa Securities, the Company undertook the following transactions:

- a) On 15 October 2010, the Company acquired the entire issued and paid-up share capital of PLON Synergy Group Sdn Bhd comprising 4,000,000 ordinary shares of RM1.00 each for a total purchase consideration of RM17,299,900, which was wholly satisfied by the issuance of 172,999,000 new ordinary shares of RM0.10 each in PeterLabs(allotted on 15 October 2010); and
- b) Public issue of 15,000,000 new ordinary shares of RM0.10 each in PeterLabs at an issue price of RM0.30, representing approximately 7.98% of our enlarged issued and paid-up share capital, which have been reserved for application by the public (allotted on 18 July 2011).

Upon completion of the public issue, the entire issued and paid-up share capital of PeterLabs of RM18,800,000 comprising 188,000,000 shares were listed and quoted on the ACE Market of Bursa Securities on 26 July 2011.

A8. Dividend paid

There were no dividends paid in the current quarter under review.

A9. Segmental information

The Group is organised into the following operating segments:-

- a) Trading
- b) Manufacturing

Segmental Reporting

Quarter ended 30 September 2011	Trading RM'000	Manufacturing RM'000	Eliminations RM'000	Consolidated RM'000
Revenue from				
External customers	11,267	-	-	11,267
Inter-segment revenue	1,511	4,781	(6,292)	-
Total revenue	12,778	4,781	(6,292)	11,267
Profit before tax	591	308		899
Tax expense				(541)
Profit for the period				358

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

YTD ended 30 September 2011	Trading RM'000	Manufacturing RM'000	Eliminations RM'000	Consolidated RM'000
Revenue from External customers	34,241	-	-	34,241
Inter-segment revenue	4,020	14,192	(18,212)	-
Total revenue	<u>38,261</u>	<u>14,192</u>	<u>(18,212)</u>	<u>34,241</u>
Profit before tax	2,860	847		3,707
Tax expense				(1,326)
Profit for the period				2,381

A10. Valuation of property, plant and equipment

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

A11. Capital commitments

As at the reporting date, there were no outstanding capital commitments not provided for in the interim financial report.

A12. Material subsequent event

There were no material events subsequent to the end of the current financial quarter under review that have not been reflected.

A13. Changes in composition of the Group

There was no change in composition of the Group for the current quarter under review.

A14. Contingent liabilities or contingent assets

There were no contingent liabilities and contingent assets, which upon becoming enforceable may have a material effect on the net assets, profits or financial position of the Group for the current quarter under review.

A15. Significant related party transactions

Saved as disclosed in the Audited Financial Statements for the FYE 31 December 2010, there were no other significant related party transactions for the current quarter under review.

Transactions	RM'000
Rental paid to Directors	18

All the above transactions were carried out on terms and conditions not materially different from those obtainable in transactions with unrelated parties and in the ordinary course of business of the Company.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

B ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B1. Review of performance

The Group achieved revenue of RM11.267 million and profit before tax of RM0.899 million for the current quarter ended 30 September 2011. The preceding year's corresponding quarter of the Group was not compared as the Group was formed on 15 October 2010.

B2. Material changes in the current quarter's results compared to the results of the immediate preceding quarter

The Group's revenue for the current quarter of RM11.267 million which represents a decrease of RM0.557 million or 4.71% as compared to the revenue of RM11.824 million for the preceding quarter. The decrease in revenue was due to lower trading sales achieved for the quarter under review. The Group registered profit before tax of RM0.899 million for the quarter under review which represents a decrease of RM0.100 million or 10.01% as compared to the Group's profit before tax of RM0.999 million reported in the preceding quarter. The decrease is due to expenses incurred pursuant to our listing on ACE Market of Bursa Securities on 26 July 2011 ("Listing") amounting to approximately RM1.368 million which was recognised in accordance with FRSIC Consensus 13.

B3. Prospects

The Malaysian animal feed additives market is expected to have a positive outlook with an expected compound annual growth rate ("CAGR") of 5.9% from 2009 to 2014 with market size growing to RM270.8 million in 2014. Barring any unforeseen circumstances, the Board of Directors is optimistic about the Group's prospect in the future.

B4. Profit forecast

No profit forecast has been issued by the Group previously in any public document.

B5. Tax expense

	Current quarter ended 30 September 2011 RM'000	Current period to-date 30 September 2011 RM'000
Current tax	541	1,326
Deferred tax	<u>-</u>	<u>-</u>
	<u>541</u>	<u>1,326</u>

The Group's effective tax rate for the current quarter was 60.2%, which was higher than the statutory rate due to no tax expense for the loss making holdings and dormant subsidiary companies.

B6. Profit from sale of unquoted investments and/or properties

There was no disposal of unquoted investments or properties for the current quarter under review.

B7. Quoted securities

There was no acquisition and/or disposal of quoted securities for the current quarter under review.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

B8. (a) Status of corporate proposals

There was no corporate proposal announced but not completed as at the date of this quarterly report.

(b) Status of utilisation of proceeds of public issue

Subsequent to the listing on the ACE Market of Bursa Securities, the gross proceeds from the public issue amounting to RM4.5 million have been utilised in the following manner:

Purposes	Proposed utilisation RM'000	Actual utilisation RM'000	Deviation* RM'000	(%)
(i) Repayment of borrowings	3,000	1,500	1,500	50
(ii) Estimated listing expenses	1,500	1,832	(332)	22
	<u>4,500</u>	<u>3,332</u>	<u>-</u>	<u>-</u>

Note*: The excess from the repayment of borrowings were used to pay off the expenses of approximately RM332,000 and the balance was utilised as the Group's working capital.

B9. Group borrowings and debts securities

The Group's borrowings as at 30 September 2011 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Short term borrowings:</u>			
Hire Purchase	-	62	62
Bank Borrowings	1,497	-	1,497
Total	<u>1,497</u>	<u>62</u>	<u>1,559</u>
	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Long term borrowings:</u>			
Hire Purchase	-	133	133
Bank Borrowings	4,050	-	4,050
Total	<u>4,050</u>	<u>133</u>	<u>4,183</u>

All the Group's borrowings are denominated in Ringgit Malaysia.

B10. Off balance sheet financial instruments

The Group does not have any financial instruments with off-balance sheet risk as at the date of this quarterly report.

B11. Material litigation

As at the date of this announcement, neither the Company nor any of its subsidiary is engaged in any material litigation and/or arbitration either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries and the Directors are not aware of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Company or its subsidiaries.

PETERLABS HOLDINGS BERHAD (Company No: 909720-W)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

B12. Dividends

No interim dividend has been recommended for the financial quarter ended 30 September 2011.

B13. Earnings per share

The basic and diluted earnings per share is calculated based on the Group's comprehensive income attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Quarter Ended</u> <u>30 September 2011</u> <u>RM'000</u>	<u>Preceding Period Corresponding Quarter Ended</u> <u>30 September 2010</u> <u>RM'000</u>	<u>Current Period to Date Ended</u> <u>30 September 2011</u> <u>RM'000</u>	<u>Preceding Period to Date Ended</u> <u>30 September 2010</u> <u>RM'000</u>
Comprehensive (loss)/income ordinary attributable to equity holders of Company (RM)	358	N/A	2,381	N/A
Weighted average number of ordinary shares in issue ('000)	177,121	N/A	177,121	N/A
(Loss)/Earnings per share (sen)				
- Basic	0.20	N/A	1.34	N/A
- Diluted	0.20	N/A	1.34	N/A

B14. Supplementary information on the disclosure of realised and unrealised profit

The amount of realised and unrealised profits included in the retained profits of the Group are as follows:

	<u>Unaudited as at</u> <u>30 September 2011</u> <u>RM'000</u>	<u>Audited as at</u> <u>31 December 2010</u> <u>RM'000</u>
- Realised	5,053	2,672
- Unrealised	-	-
	<u>5,053</u>	<u>2,672</u>

By Order of the Board
PeterLabs Holdings Berhad
Wong Keo Rou (MAICSA 7021435)
Company Secretary
Kuala Lumpur

Date: 30 November 2011