

1. **The principal markets for the services rendered by Reliance Shipping & Travel Agencies Sdn Berhad and its subsidiaries, Reliance Sightseeing Sdn Bhd and its subsidiaries, RPB Travel Holdings Sdn Bhd and its subsidiaries and Layang Layang Island Resort Sdn Bhd.**

The principal markets of the Identified Subsidiaries based on the revenue for the audited FYE 31 March 2010 are as follows:

Name	Principal markets
Reliance Shipping & Travel Agencies Sdn Berhad and its subsidiaries	Malaysia
Reliance Sightseeing Sdn Bhd and its subsidiaries	Europe and Asia (inclusive of Malaysia)
RPB Travel Holdings Sdn Bhd	Malaysia
Layang Layang Island Resort Sdn Bhd	Asia (inclusive of Malaysia)

2. **The amount transacted with Reliance College Sdn Bhd and Reliance Computer Sdn Bhd in relation to the provision of education and training, and ticketing services respectively.**

There is no amount transacted within the last twelve months with Reliance College Sdn Bhd (Company No. 120103-D) and Reliance Computer Centre Sdn Bhd (Company No. 78576-U)

3. **The quarterly results for the financial period ended ("FPE") 30 September 2010 of the following companies and the explanation for the fluctuation in turnover or profits:-**
 - (a) **RSTA Group;**
 - (b) **Reliance Sightseeing Group;**
 - (c) **RPB Travel Group; and**
 - (d) **Layang Layang Island Resort Sdn Bhd.**

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Appendix A – Audited financial information of Reliance Shipping & Travel Agencies Sdn Berhad and its wholly-owned subsidiary companies (“RSTA Group”)

	<div style="text-align: center;"> <div style="display: flex; justify-content: space-between; border-top: 1px dashed black; border-bottom: 1px dashed black;"> <----- Audited -----> </div> <div style="display: flex; justify-content: space-between; border-bottom: 1px dashed black;"> <----- FYE 31 March -----> </div> </div>			Unaudited for the FPE 30 September 2010
	2008 RM'000	2009 RM'000	2010 RM'000	RM'000
Revenue	220,193	220,680	158,493	117,438
(Loss)/Profit before taxation	5,389	1,170	(138)	(70)
Taxation	(122)	(975)	(128)	-
(Loss)/Profit after taxation	5,267	195	(266)	(70)
Shareholders' equity / NA	17,734	23,989	23,721	23,652
Borrowings	14,909	18,910	17,438	16,580

Note:

The proforma consolidated financial statements were prepared for purpose of the Proposed Disposal. There were no exceptional items recorded for the FYE 31 March 2008 to 31 March 2010.

Commentary

FYE 31 March 2008

The revenue of the RSTA Group has increased by 32.20% as compared to FYE 31 March 2007 as a result of aggressive promotion on selected destinations and the increase in the prices of air tickets charged to customers as a result of the imposition of airline fuel surcharge. The increase in revenue has resulted in an increase of profit after taxation by 23.40% as compared to the FYE 31 March 2007.

FYE 31 March 2009

For the FYE 31 March 2009, the RSTA Group has registered a slight growth of revenue of approximately 0.22%. The profit after taxation has reduced from approximately RM5.27 million for the FYE 31 March 2008 to approximately RM0.20 million for the FYE 31 March 2009 representing a decrease of 96.4% as a result of eroding margins due to competitions and the continued investment the technology, exploration of new markets, hiring of talents and the adverse impact of the global economic recession.

FYE 31 March 2010

The revenue of the RSTA Group has decreased from approximately RM220.68 million in the FYE 31 March 2009 to approximately RM158.49 million for the FYE 31 March 2010 as a result of the global economic recession and the adverse impact of the Influenza A(H1N1) disease outbreak. The reduction in revenue has contributed to the loss after taxation of approximately RM0.27 million.

FPE 30 September 2010

The revenue of the RSTA Group has increased from approximately RM65.41 million for the FPE 30 September 2009 to approximately RM117.44 million for the FPE 30 September 2010 representing an increase of approximately 79.53% contributed by the commencement of the online travel business which previously formed part of the RPB Travel Group and the aggressive promotion of our tour packages. However, the RSTA Group recorded loss after taxation of approximately RM0.07 million for the FPE 30 September 2010 albeit a reduction from RM0.24 million in the FPE 30 September 2009 mainly due to the investment cost into the travel online business and the eroding profit margins.

Appendix B – Audited financial information of Reliance Sightseeing Sdn. Bhd. and its wholly-owned subsidiary (“Reliance Sightseeing Group”)

	<----- Audited -----> <----- FYE 31 March -----> 2008 2009 2010 RM'000 RM'000 RM'000			Unaudited for the FPE 30 September 2010 RM'000
Revenue	27,035	29,226	19,622	9,230
(Loss)/Profit before taxation	6,259	5,328	550	(464)
Taxation	(20)	-	-	-
(Loss)/Profit after taxation	6,239	5,328	550	(464)
Shareholders' equity / NA	18,272	20,755	20,235	19,445
Borrowings	4,047	8,962	8,791	8,561

Note:

The proforma consolidated financial statements were prepared for purpose of the Proposed Disposal. There were no exceptional items recorded for the FYE 31 March 2008 to 31 March 2010.

Commentary

FYE 31 March 2008

The reduction in revenue by 21.70% as compared to the FYE 31 March 2007 was due to the Reliance Sightseeing Group having lesser number of customers recorded for the period under review. The reduction in revenue has also resulted in the reduction in the profit after taxation of the Reliance Sightseeing Group by 54.60% as compared to the FYE 31 March 2007.

FYE 31 March 2009

For the FYE 31 March 2009, the revenue of the Reliance Sightseeing Group has increased by 8.10% as compared to the FYE 31 March 2008 due to more inbound customers recorded in the period under review. The profit after taxation of the Reliance Sightseeing Group has decreased by 14.60% as compared to the FYE 31 March 2008 as a result of competition from other travel agencies.

FYE 31 March 2010

The revenue of the Reliance Sightseeing Group has reduced from approximately RM29.23 million in the FYE 31 March 2009 to approximately RM19.62 million in the FYE 31 March 2010 representing a decrease of 32.88% mainly due to the reduction of European customers and from other countries as a result of global recession and Influenza A (H1N1) during the financial year. The reduction in revenue and eroding margin has resulted in the reduction of profit after tax.

FPE 30 September 2010

The revenue of Reliance Sightseeing Group has increased from RM7.72 million for the FPE 30 September 2009 to RM9.23 million for the FPE 30 September 2010 representing an increase of 19.50% mainly due to the increase in the number of Asian clients served for the meeting, incentives, conventions and exhibitions segment. However, the loss after taxation has increased from RM0.30 million in the FPE 30 September 2009 to RM0.46 million in the FPE 30 September 2010 representing an increase of 56.76% mainly due to the reduction in profit margins as a result of the changes in the external factors which changes in the inbound customer mix.

Appendix C – Audited financial information of RPB Travel Holdings Sdn. Bhd. and its wholly-owned subsidiary companies (“RPB Travel Group”)

	<div style="text-align: center;"> <div style="display: flex; justify-content: space-between; border-top: 1px dashed black; border-bottom: 1px dashed black;"> <----- Audited -----> </div> <div style="display: flex; justify-content: space-between; border-bottom: 1px dashed black;"> <----- FYE 31 March -----> </div> </div>			Unaudited for
	2008	2009	2010	the FPE 30
	RM'000	RM'000	RM'000	September 2010
				RM'000
Revenue	-	23,383	9,714	771
(Loss)/Profit before taxation	(4)	2,473	(1,413)	(21)
Taxation	-	(126)	65	-
(Loss)/Profit after taxation	(4)	2,347	(1,348)	(21)
Shareholders' equity / NA	10,290	9,219	7,567	7,458
Borrowings	-	1,480	1,257	1,255

Note:

The proforma consolidated financial statements were prepared for purpose of the Proposed Disposal. There were no exceptional items recorded for the FYE 31 March 2008 to 31 March 2010.

Commentary

FYE 31 March 2008

RPB Travel Holdings Sdn Bhd was a dormant in the FYE 31 March 2008.

FYE 31 March 2009

In the FYE 31 March 2009, RPB Travel Holdings Sdn Bhd had acquired two (2) operating subsidiaries. The increase in revenue and profit after taxation was as a result of the contributions from the subsidiaries acquired.

FYE 31 March 2010

The revenue of the RPB Travel Group has reduced from approximately RM23.38 million in the FYE 31 March 2009 to approximately RM9.71 million representing a decrease of approximately 58.46% mainly due to global economic recession and Influenza A (H1N1) disease outbreak. The loss after taxation of the RPB Travel Group was mainly due to competition from other travel agencies, the investment into the online travel business.

FPE 30 September 2010

The revenue of the RPB Travel Group has reduced from approximately RM4.62 million in the FPE 30 September 2009 to approximately RM0.77 million in the FPE 30 September 2010 representing a decrease of approximately 83.32% due to the absence of the online travel business which has since formed part of the RSTA Group. However the loss after taxation has reduced from approximately RM0.39 million in the FPE 30 September 2009 to RM0.02 million in the FPE 30 September 2010 as a result of the RPB Travel Group no longer having the online business which incurs investment cost.

Appendix D – Audited financial information of Layang Layang Island Resort Sdn Bhd

	<div style="text-align: center;"> <div style="display: flex; justify-content: space-between; border-top: 1px dashed black; border-bottom: 1px dashed black; padding: 2px 0;"> <----- Audited -----> </div> <div style="display: flex; justify-content: space-between; border-bottom: 1px dashed black; padding: 2px 0;"> <----- FYE 31 March -----> </div> </div>			Unaudited for the FPE 30 September 2010
	2008 RM'000	2009 RM'000	2010 RM'000	RM'000
Revenue	7,155	7,230	6,857	4,922
(Loss)/Profit before taxation	594	384	383	(557)
Taxation	-	(91)	(15)	-
(Loss)/Profit after taxation	594	293	368	(557)
Shareholders' equity / NA	162	455	823	266
Borrowings	-	-	-	-

Note:

The proforma consolidated financial statements were prepared for purpose of the Proposed Disposal. There were no exceptional items recorded for the FYE 31 March 2008 to 31 March 2010.

Commentary

FYE 31 March 2008

The revenue of Layang Layang Island Resort Sdn Bhd has increased by 22.10% as compared to the FYE 31 March 2007 due to the increase in overseas customers in the FYE 31 March 2008. The profit after taxation has increased in tandem with the increase in the revenue.

FYE 31 March 2009

Layang Layang Island Resort Sdn Bhd registered a slight growth of revenue of approximately 1.05% despite a slowdown in the general economy in the second half of the FYE 31 March 2009. The profit after taxation reduced from approximately RM0.59 million for the FYE 31 March 2008 to approximately RM0.29 million for the FYE 31 March 2009 representing a decrease of 50.67% as a result of higher fuel costs used for our generators, increase in the costs of charter flights which were not passed on to our customers and property maintenance cost.

FYE 31 March 2010

The revenue of Layang Layang Island Resort Sdn Bhd has reduced by 5.16% as a result of global economic recession and the Influenza A (H1N1) disease outbreak in the FYE 31 March 2010. The profit after taxation of Layang Layang Island Resort Sdn Bhd has increased in the FYE 31 March 2010 as a result of cost reductions made by Layang Layang Island Resort Sdn Bhd during the FYE 31 March 2010.

FPE 30 September 2010

The revenue of Layang Layang Island Resort Sdn Bhd has reduced from approximately RM5.80 million for the FPE 30 September 2009 to RM4.92 million in the FPE 30 September 2010 was mainly due to negative impact caused by the slow economic recovery in the long-haul market, and volcano eruption in Iceland which has resulted in the cancellation of flights from Europe and in the reduction in inbound customers to the Layang Layang Island Resort. As a result of the reduction of revenue and as a result of the write-off of plant and equipment amounting to approximately RM0.30 million, Layang Layang Island Resort Sdn Bhd recorded a loss after taxation of RM0.56 million in the FPE 30 September 2010 as compared to a profit after taxation of RM0.47 million in the FPE 30 September 2009.

4. The details of the rentals and rental income per month or per annum for units T082 and T083 of the Sungei Wang Property.

Set out below are the details of the tenancies of unit T082 and T083 of the Sungei Wang Property:

Unit No.	Floor Area	Commencement Date	Expiry Date	Monthly Rental	Landlord	Tenant
* T082	587 sq.ft.	01/06/09	31/05/2011	RM 7,044.00	Reliance Shipping & Travel Agencies Sdn. Bhd.	Sun Comic (M) Sdn. Bhd.
T083	635 sq.ft.	01/05/09	30/04/2011	RM 7,620.00	Reliance Shipping & Travel Agencies Sdn. Bhd.	Face Art Specialist & Academy

Note:

* The remainder floor of 48 square feet was owner occupied.

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