

DAYA MATERIALS BERHAD

(Company No: 636357-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT

Quarterly report on results for the third quarter ended 30.09.2007

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	QUARTER	CORRESPONDING	TO DATE	CORRESPONDING
	30/09/2007	30/09/2006	30/09/2007	30/09/2006
	RM'000	RM'000	RM'000	RM'000
Revenue	29,362	7,295	46,834	21,277
Cost of Sales	(23,228)	(5,679)	(37,152)	(16,563)
Gross Profit	<u>6,134</u>	<u>1,616</u>	<u>9,682</u>	<u>4,714</u>
Other Net Operating Income	137	41	447	156
Operating Expenses	(2,755)	(623) #	(3,993)	(1,767) #
Profit from operations	<u>3,516</u>	<u>1,034</u>	<u>6,136</u>	<u>3,103</u>
Finance Costs	<u>(91)</u>	<u>(17) #</u>	<u>(161)</u>	<u>(56) #</u>
Profit before tax	3,425	1,017	5,975	3,047
Income tax expenses	<u>(699)</u>	<u>(140)</u>	<u>(910)</u>	<u>(393)</u>
Net profit for the period	<u><u>2,726</u></u>	<u><u>877</u></u>	<u><u>5,065</u></u>	<u><u>2,654</u></u>
Attributable to :				
Equity holders of the Company	2,734	877	5,073	2,662
Minority Interests	<u>(8)</u>	<u>-</u>	<u>(8)</u>	<u>(8)</u>
	<u><u>2,726</u></u>	<u><u>877</u></u>	<u><u>5,065</u></u>	<u><u>2,654</u></u>
Basic earnings per share (sen)	<u>1.05</u>	<u>0.46</u>	<u>2.38</u>	<u>1.40</u>

Notes :

The comparative amounts have been reclassified to conform with current year's presentation.

The Group completed its acquisition of Seca Dyme Sdn Bhd and its subsidiaries on 1 August 2007 and accordingly, the Group's quarterly report for the quarter ended 30 September covers the results of Seca Dyme Sdn Bhd and its subsidiaries from 1 August 2007 to 30 September 2007.

The accompanying notes form an integral part of, and should be read in conjunction with this interim financial report.

DAYA MATERIALS BERHAD

(Company No: 636357-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 30 September 2007

(The figures have not been audited)

	UNAUDITED AS AT END OF CURRENT QUARTER 30/09/2007 RM'000	AUDITED AS AT END OF FINANCIAL YEAR 31/12/2006 RM'000
Non Current Assets		
Property, plant and equipment	14,189	10,861
Development expenditure	222	276
Finance lease receivables	1,069	1,048
Goodwill arising from consolidation	16,578	
	<u>32,058</u>	<u>12,185</u>
Current Assets		
Inventories	9,501	3,570
Trade receivables	10,312	9,219
Other receivables, deposits and prepaid expenses	4,001	3,205
Finance lease receivables	31	58
Tax recoverable	1,099	0
Short term investments	14,342	9,359
Marketable securities	1,359	181
Fixed Deposits	21	37
Cash and bank balances	8,143	1,924
	<u>48,809</u>	<u>27,553</u>
Current Liabilities		
Trade payables	4,082	1,436
Other payables and accrued expenses	2,672	903
Hire purchase payables	193	-
Tax payables	1,079	108
Bank borrowings (secured)	3,328	3,538
	<u>11,354</u>	<u>5,985</u>
Net Current Assets	37,455	21,568
	<u>69,513</u>	<u>33,753</u>
Financed by:		
Issued share capital	29,519	18,963
Reserves	38,372	13,619
	<u>67,891</u>	<u>32,582</u>
Minority Interest	12	-
Non Current Liabilities		
Deferred tax liabilities	679	667
Hire purchase payables	544	-
Term loan	387	504
	<u>1,610</u>	<u>1,171</u>
	<u>69,513</u>	<u>33,753</u>
Net assets per share (sen)	23.00	17.18

The accompanying notes form an integral part of, and should be read in conjunction with this interim financial report.

DAYA MATERIALS BERHAD

(Company No: 636357-W)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Quarterly report on results for the third quarter ended 30.09.2007

(The figures have not been audited)

	Share capital RM'000	Non- Distributable - Share premium RM'000	Distributable reserve / Unappropriated profit RM'000	Minority Interest RM'000	Total RM'000
Balance as at 1 Jan 2006	18,963	5,959	4,710	-	29,632
Net profit for the period	0	0	971	-	971
Balance as at 31 Mar 2006	18,963	5,959	5,681	-	30,603
Net profit for the period	0	0	806	-	806
Balance as at 30 June 2006	18,963	5,959	6,487	-	31,409
Net profit for the period	0	0	877	-	877
Balance as at 30 Sept 2006	18,963	5,959	7,364	-	32,286
Net profit for the period	0	0	296	-	296
Balance as at 31 Dec 2006	18,963	5,959	7,660	-	32,582
Balance as at 1 Jan 2007	18,963	5,959	7,660	-	32,582
Net profit for the period	0	0	1,377	-	1,377
Balance as at 31 Mar 2007	18,963	5,959	9,037	-	33,959
Net profit for the period	0	0	962	-	962
Balance as at 30 June 2007	18,963	5,959	9,999	-	34,921
Issued as consideration for the acquisition of the subsidiary	8,356	10,863	0	20	19,239
Private placement	2,200	9,570	0	0	11,770
Listing expenses	0	(753)	0	0	(753)
Net profit for the period	0	0	2,734	(8)	2,726
Balance as at 30 September 2007	29,519	25,639	12,733	12	67,903

The accompanying notes form an integral part of, and should be read in conjunction with this interim report.

DAYA MATERIALS BERHAD

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(The figures have not been audited)

	UNAUDITED CURRENT YEAR TO DATE 30/09/2007 RM'000	AUDITED PRECEDING YEAR FOR THE YEAR ENDED 31/12/2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	5,975	4,028
Adjustments for:		
Amortisation on development expenditure	54	72
Depreciation	527	472
Gain on disposal of PPE	15	0
Gain on disposal of investment	(460)	(62)
PPE written off	3	8
Provision for doubtful debts	87	95
Interest expenses	161	85
Interest income	(380)	(356)
Unrealised foreign exchange gain	(29)	(11)
	<hr/>	<hr/>
Operating profit before working capital changes	5,953	4,331
Changes in working capital:		
Net change in inventories	(1,739)	82
Net change in trade & other receivables	(111)	(3,420)
Net change in trade & other payables	2,825	(2,012)
	<hr/>	<hr/>
Cash used in operations	6,928	(1,019)
Interest paid	(161)	(85)
Income tax paid	(1,499)	(1,039)
	<hr/>	<hr/>
Net Cash Used in Operating Activities	5,268	(2,143)
CASH FLOWS FROM INVESTING ACTIVITIES		
Development expenditure	0	0
Listing Expenditure	(753)	0
Purchase of PPE	(721)	(1,460)
Proceeds from disposal of PPE	158	0
Acquisition of marketable securities	(4,811)	(181)
Acquisition of subsidiaries (Note 1)	(2,133)	(5,030)
Proceeds from disposal of investment	4,093	5,092
Proceeds from issuance of shares	11,790	0
Dividend paid	0	0
Interest received	380	356
	<hr/>	<hr/>
Net Cash From Investing Activities	8,003	(1,223)

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(The figures have not been audited)

	UNAUDITED CURRENT YEAR TO DATE 30/09/2007 RM'000	AUDITED PRECEDING YEAR FOR THE YEAR ENDED 31/12/2006 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables	(254)	-
Change in trade facilities	(1,715)	1,515
Change in term loan	(116)	(155)
Net Cash From Financing Activities	(2,085)	1,360
NET INCREASE IN CASH AND CASH EQUIVALENTS	11,186	(2,006)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	11,320	13,326
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	22,506	11,320
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash & bank balances	8,143	1,924
Fixed deposits with licenced banks	21	37
Short term investments	14,342	9,359
Bank overdraft	0	0
	22,506	11,320

The accompanying notes form an integral part of, and should be read in conjunction with this interim financial report.

Note 1: During the period, the Group acquired Seca Dyme Sdn Bhd. The fair value of assets acquired and liability assumed were as follows:

	RM'000
Assets	
Property, plant and equipment	2,772
Inventories	4,192
Trade receivables	1,388
Other receivables	698
Cash & bank balances	2,647
Liabilities	
Trade payables	(1,511)
Other payables	(71)
Amount due to directors	(8)
Tax payable	(714)
Borrowings	(1,959)
Deferred taxation	(12)
Net assets acquired	<u>7,422</u>
Goodwill arising from consolidation	<u>16,578</u>
Total purchase consideration	<u>24,000</u>
Less: Portion discharged by issuance of DMB shares	<u>(19,220)</u>
Portion discharge by cash	<u>4,780</u>
Less : Cash of Seca Dyme Sdn Bhd	<u>(2,647)</u>
Cash flow on acquisition, net of cash acquired	<u><u>2,133</u></u>

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A EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING

A1 Basis of preparation

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 ("Bursa Malaysia") for the MESDAQ Market.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006. 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 31 December 2006.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the year ended 31 December 2006 except for the adoption of the following new/revised FRSs effective for the financial period which are relevant to its operations:

FRS 107	Cash Flows Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

FRS 139, Financial Instruments : Recognition and Measurement has been issued by MASB. However, MASB has yet to determine the effective date for FRS 139.

The adoption of the new/revised FRSs did not result in substantial changes to the Group's accounting policies.

A2 Qualification of Annual Financial Statements

The preceding year annual audited financial statements were not subject to any qualification.

A3 Seasonal or cyclical factors

The Group's interim operations were not subject to any seasonal or cyclical factors.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

During the quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

A5 Changes in estimates, significant accounting estimates and judgements

There were no changes in the nature and estimates of amounts reported which have a material effect on the results in the quarter under review.

A6 Debt and equity securities

Save for the below, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.

- 1) 83,565,217 new ordinary shares of RM0.10 each issued pursuant to the Acquisition of Seca Dyrme Sdn Bhd; and
- (2) 22,000,000 new ordinary shares of RM0.10 each issued pursuant to the Private Placement,

were listed on Bursa Malaysia Securities Berhad on 1 August 2007.

A7 Dividends paid

The Board has not recommended any payment of dividend for the period under review.

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A8 Segment information

Segmental reporting of the Group's result for the financial year-to-date is as follows:

Business Segment	Oil & Gas RM'000	Polymer RM'000	Total RM'000
External Revenue	19,326	27,508	46,834
Segment Results	1,978	2,852	4,830
Unallocated Results			1,306
Profit from Operations			6,136
Finance Costs			(161)
Profit Before Tax			5,975
Taxation			(910)
Profit After Tax			5,065
Geographical Segment			
			External Revenue RM'000
Malaysia			44,286
Foreign Countries			2,548
Consolidated			46,834

A9 Valuation of property, plant and equipment

The Group did not revalue any of its property, plant and equipment from previous annual financial statements.

A10 Subsequent Events

Save for the below and as disclosed under Section B8, there were no material events subsequent to the current financial quarter ended 30 September 2007 up to the date of this report which is likely to substantially affect the results of the operations of the Company:-

The Acquisition of 750,000 ordinary shares of RM1.00 each representing 30% of the issued and paid-up share capital of CMT (Penang) Sdn Bhd ("CMT") from Goo Bak Hoo @ Goh Bak Hoe, Bong Hock Kim, Chan Thiam Fook, Chin Choon Guan and Chen Soon Loy (collectively "CMT Vendors") for a cash consideration of RM7,200,000. ("Acquisition of CMT")

The Acquisition of CMT had been duly completed on 31 October 2007.

A11 Changes in the composition of the Group

Save for the below, there were no changes in the composition of the Group for the quarter under review.

(a) The Group had, on 1 August 2007, acquired the entire issued and paid up share capital of Seca Dyme Sdn Bhd ("SDSB"), comprising of 1,008,000 ordinary shares of RM1.00 each, for a purchase consideration of RM24,000,000 be satisfied via issuance of 83,565,217 new ordinary shares of RM0.10 each in DMB ("DMB shares") at an issue price of RM0.23 per new DMB share and cash consideration of RM4,780,000, thereafter making SDSB, a wholly-owned subsidiary of DMB ("Acquisition of SDSB").

The effect of the Acquisition of SDSB on the financial results of the Group from 1 August 2007 to 30 September 2007 is as follows:-

Revenue	RM'000
Profit after tax	19,326
	<u>1,437</u>

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The assets and liabilities arising from the Acquisition of SDSB are as follows:-

	Fair value	Carrying Value
	RM'000	RM'000
Property, plant and equipment	2,772	2,772
Inventories	4,192	4,192
Trade receivables	1,388	1,388
Other receivables	698	698
Cash & bank balances	2,647	2,647
Trade payables	(1,511)	(1,511)
Other payables	(71)	(71)
Amount due to directors	(8)	(8)
Tax payable	(714)	(714)
Borrowings	(1,959)	(1,959)
Deferred taxation	(12)	(12)
Goodwill arising on acquisition	16,578	16,578
	24,000	24,000

The cash out flow arising from the Acquisition of SDSB are as follows:-

Purchase consideration satisfied by cash	RM'000
Cash and cash equivalents of subsidiaries acquired	4,760
Net cash out flow of the Group	(2,600)
	2,180

(b) The Company had on 29 August 2007 acquired six (6) ordinary shares of RM1.00 each in Meridian Orbit Sdn. Bhd. ("MOSB"), representing 60% of the issued and paid-up share capital for a total cash consideration of RM6.00. Subsequently, MOSB increased its paid up share capital to RM50,000 on 14 September 2007. Consequently, DMB further subscribe for 29,994 shares for a consideration of RM29,994.

A12 Contingent Assets and Contingent Liabilities

Corporate guarantee given to licensed banks for banking facilities granted to its subsidiary as at 21 August 2007	RM'000
	1,268

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

A13 Capital commitments

Approved but not contracted for:	RM'000
	2,986

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE MESDAQ MARKET

B1 Review of performance

Current Year Quarter versus Preceding Year Corresponding Quarter

The Group achieved higher revenue of RM29.362 million for the quarter ended 30 September 2007, a increase of 302% from RM7.295 million recorded in the previous year corresponding quarter. The significant revenue growth was mainly attributed to the oil & gas sales segment contributed by the newly acquired subsidiary, Seca Dyme Sdn Bhd("SDSB") and improvement in the polymer sales segment. The Group recorded a profit before taxation of RM3.425 million for the quarter ended 30 September 2007, which represents a 237% increase over RM1.017 million profits recorded for the corresponding quarter in the previous financial year. The improved performance was largely due to the profit contributed by oil & gas sector and higher margins derived from the significant growth in polymer sales segment, predominantly in the sales of Semicon and LV-XLPE.

Current Year-to-Date versus Preceding Year Corresponding Period

The Group achieved higher revenue of RM46.834 million for the nine months ended 30 September 2007, an increase of 120% from RM21.277 million recorded in the first nine months of the previous year. The significant revenue growth was mainly attributed to the improvement in the oil & gas sales segment, i.e.its newly acquired subsidiary, SDSB and improvement in the polymer sales segment. The Group recorded a profit before taxation of RM5.975 million for the period ended 30 September 2007, which represents a 96% increase over RM3.047 million profits recorded for the corresponding quarter in the previous year. The improved performance is in correspondence with the significant growth in oil & gas sales segment contributed by SDSB and polymer sales segment which is predominantly in the sales of Semicon and LV-XLPE.

B2 Variation of results against preceding quarter

	Quarter ended 30/09/2007	Quarter ended 30/06/2007
	RM'000	RM'000
Revenue	29,362	7,316
Profit before tax	3,425	1,030

For the third quarter ended 30 September 2007, the Group achieved higher revenue of RM29.362 million as compared to RM7.316 million recorded in the preceding quarter. The higher revenue was mainly attributed to the increase in revenue from the oil & gas sales segment, i.e.its newly acquisition subsidiary, SDSB and improvement in the polymer sales segment. As a result, the Group recorded a higher profit before taxation of approximately RM3,425 million for the current quarter as compared to approximately RM1,030 million in the preceding quarter, represent an increase of 232%.

B3 Prospects

The Board expects the positive financial performance of the Group to continue for the current financial year after taking into consideration the Group's current level of operations and prevailing market conditions. The Group, like most of the polymer compounding manufacturers worldwide, has continued to experience unprecedented increases in raw material prices due to the hike in crude oil prices which has, to a certain extent, affected the financial performance of the Group. In line with this, the Group is constantly taking steps to improve its efficiency in terms of manufacturing cost structure and also to pass on the costs increases to its customers by increasing its selling price, even though there was a time lag to increase the selling price.

The Group will continue to focus on its core activities to improve its competitiveness and coupled with the acquisition of Seca Dyme Sdn Bhd("SDSB"), the Group is expecting positive performance in the financial year ending 31 December 2007. The merged business of the Group and the newly acquired subsidiaries will further enhance the market strength and market position of the Group in the petrochemical industries, in particular, the oil and gas sector.

The Board is optimistic that the Group's operational results for the financial year ending 31 December 2007 will be satisfactory, barring any unforeseen circumstances.

B4 Profit forecast

Not applicable.

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B5 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/09/2007 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2006 RM'000	CURRENT YEAR TO DATE 30/09/2007 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2006 RM'000
In respect of the current period:				
Estimated current tax payable	699	140	910	393

The effective tax rate for the quarter under review was lower than the statutory income tax rate. This is attributed to the anticipated tax benefits principally the reinvestment allowances incentives pertaining to the new factory building which was in used partly as a warehouse in the first half of year 2007.

B6 Sale of unquoted investments and properties

There were no disposals of unquoted investments and properties during the quarter under review.

B7 Quoted securities

Details of purchases and disposals of quoted securities were as follows:

	INDIVIDUAL QUARTER		PRECEDING YEAR	
	CURRENT YEAR QUARTER 30/09/2007 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2006 RM'000	CURRENT YEAR TO DATE 30/09/2007 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2006 RM'000
Purchases (at cost)	619	-	3,620	-
Disposal proceeds	699	-	4,080	-
Gain on disposal	80	-	460	-

The investment in quoted securities as at 30 September 2007 are summarised below:

	CURRENT YEAR TO DATE RM'000
Total investment at cost/carrying value	1,359
Total investment at market value	1,198

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B8 Status of corporate proposals

Acquisition of CMT (Penang) Sdn Bhd

The status of corporate proposals announced by the Company on 6 August 2007 and completed on 31 October 2007 is summarised below:-

Acquisition of 750,000 ordinary shares of RM1.00 each representing 30% of the issued and paid-up share capital of CMT (Penang) Sdn Bhd ("CMT") from Goo Bak Hoo @ Goh Bak Hoe, Bong Hock Kim, Chan Thiam Fook, Chin Choon Guan and Chen Soon Loy (collectively "CMT Vendors") for a cash consideration of RM7,200,000.

Proposed Acquisition of Clarimax Consolidated Sdn Bhd

The status of corporate proposals announced by the Company on 7 September 2007 but not completed as at the date of this quarterly report is summarised below:-

Proposed acquisition by Meridian Orbit Sdn Bhd, a 60% owned subsidiary of DMB, of 275,000 ordinary shares of RM1.00 each representing 55% of the issued and paid-up share capital of Clarimax Consolidated Sdn Bhd ("CCSB") from Mr Ishar Singh Gill S/O Jiwa Singh Gill, a Singaporean, for a cash consideration of RM366,667 ("Proposed Acquisition of CCSB")

B9 Status of utilisation of proceeds

Initial Public Offering

The Public Issue of 56,890,000 new ordinary shares of RM0.10 each at an issue price of RM0.23 per share which was implemented on 25 July 2005, raised a total gross proceeds of approximately RM13.085 million.

As at 30 September 2007, the Company has utilised approximately 74% of the total gross proceeds raised and the status of the utilisation of proceeds is as follows:-

Purpose	Proposed Utilisation* RM'000	Actual Utilisation RM'000	Intended Time Frame For Utilisation Year	Deviation Amount RM'000	Deviation %
Expansion in production facility	6,500	4,097	2005-2007	2,403	36.97 (i)
Investment in R&D and new product development	1,700	699	2005-2007	1,001	58.88 (ii)
Working capital	3,448	3,448	2005-2007	-	
Listing expenses	1,437	1,437	2005-2007	-	
Total	13,085	9,681		3,404	26.01

* On 20 December 2005, the Board of Directors ("Board") had resolved to reduce the earlier allocation of proceeds of RM8.5 million for the expansion of production facility of the Group as disclosed in the DMB's Prospectus dated 30 June 2005 to RM6.5 million. The difference of RM2.0 million was allocated for working capital purposes of the Group. On 21 November 2006, the Board had also resolved to reallocate the unutilised proceeds for listing expenses amounting to approximately RM63,000 to be utilised for working capital purposes.

(i) Actual utilisation incurred mainly in relation to the construction of second factory building. The deviation is mainly due to the delay in securing approvals from the regulatory authorities, namely Majlis Perbandaran Seberang Perai and other relevant authorities for the construction of the new factory building. The balance unutilised proceeds are expected to be used by end of 2007.

(ii) Actual utilisation incurred mainly in relation to the development costs of new products. The deviation is mainly due to the delay in procuring of R&D processing equipment. The balance unutilised proceeds are expected to be used by end of 2007.

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Private placement completed on 1 August 2007

As at 30 September 2007, the Company has utilised approximately 29% of the total gross proceeds raised and the status of the utilisation of proceeds is as follows:-

Purpose	Proposed Private Placement RM'000	Proceeds from Placement Shares RM'000	Actual Utilisation RM'000	Intended Time Frame For Utilisation	Deviation Amount RM'000	Deviation %
Expansion in production facility	1,000	1,000	-	within 12 months	1,000	100.00
Investment in tanks and tank cleaning/repair activities	1,500	1,500	100	within 24 months	1,400	93.33
Working capital & future investments*	8,870	8,420	2,550	within 24 months	5,870	69.71
Estimated expenses	850	850	753	within 6 months	97	11.41
Total	12,220	11,770	3,403		8,367	71.09

* Any variations to the total proceeds raised will result in an adjustment to the amount allocate for utilisation as working capital and vice versa.

B10 Group's borrowings and debt securities

The Group's borrowings are as follows:

	Payable within 12 months RM'000	Payable after 12 months RM'000	Total Outstanding RM'000
Trade facilities	3,173	0	3,173
Overdraft	0	0	0
Term loans	155	387	542
	<u>3,328</u>	<u>387</u>	<u>3,715</u>

The bank borrowings and other facilities are secured by way of :-

- legal charges over the freehold land and building of the wholly owned subsidiary company, Daya Polymer Sdn Bhd ;
- a corporate guarantee by Daya Materials Berhad;
- a debenture over all assets of Daya Polymer Sdn Bhd;
- joint and several guarantee by two of the Seca Dyme Sdn Bhd's director; and
- fixed deposit placement of RM2 million with banks.

The bank borrowings and other facilities are denoted in local currency.

B11 Off balance sheet financial instruments

There were no off-balance sheet financial instruments as at the date of this quarterly report.

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B12 Material litigations

There were no material litigations involving the Group since the last financial year ended 31 December 2006 and pending as at the date of this quarterly report.

B13 Dividends

The Board has not recommended any payment of dividend for the period under review.

B14 Earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/09/2007 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2006 RM'000	CURRENT YEAR TO DATE 30/09/2007 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2006 RM'000
Net profit for the period (RM'000)	2,726	877	5,065	2,654
Weighted average number of shares in issue ('000)	259,624	189,630	213,218	189,630
Basic earnings per share (sen)	<u>1.05</u>	<u>0.46</u>	<u>2.38</u>	<u>1.40</u>

B15 Other corporate development

The SC had via its letter dated 27 June 2006 approved the proposed extension of time of one (1) year until 30 June 2007 for the Company to procure the certificate of fitness for occupation ("CF") for its new factory constructed at No. 1744, Jalan Industri Dua, Taman Industri Bukit Panchor, Nibong Tebal, Penang. On 26 January 2007, the Group announced that they have obtained the above mentioned CF on 19 January 2007.

By Order of the Board

THAM WOOL LOON
Managing Director

Date: 27 November 2007