



SUMMARY OF KEY FINANCIAL INFORMATION FOR THE THIRD QUARTER ENDED 31 DECEMBER 2007.

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT QUARTER ENDED 31.12.2007 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.12.2006 RM'000	CURRENT YEAR TO DATE 31.12.2007 RM'000	PRECEDING YEAR TO DATE 31.12.2006 RM'000
1. Revenue	13,957	19,511	49,903	61,386
2. Profit before tax	912	2,256	2,007	7,122
3. Profit for the period	579	1,694	834	5,698
4. Profit attributable to ordinary equity holders of the parent.	452	1,672	583	5,415
5. Basic earnings per share (sen).	0.20	0.86	0.26	2.78
6. Proposed/Declared dividend per share (sen).	-	-	-	-
	As At End Of Current Quarter		As At Preceding Financial Year End	
7. Net asset per share attributable to ordinary equity holders of the parent (RM).	0.82		0.96	



SITT TATT BERHAD (55576-A)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31.12.2007 UNAUDITED	PRECEDING YEAR CORRESPONDING QUARTER 31.12.2006 UNAUDITED	CURRENT YEAR TO DATE 31.12.2007 UNAUDITED	PRECEDING YEAR TO DATE 31.12.2006 UNAUDITED
	RM'000	RM'000	RM'000	RM'000
Revenue	13,957	19,511	49,903	61,386
Operating Expenses	(13,635)	(17,631)	(49,380)	(55,301)
Other income	720	(103)	1,841	315
Profit From Operation	1,042	1,777	2,364	6,400
Finance Cost	(130)	(212)	(357)	(683)
Share of results of associates	-	691	-	1,405
Profit before tax	912	2,256	2,007	7,122
Taxation	(333)	(562)	(1,173)	(1,424)
Profit for the period	579	1,694	834	5,698
Profit attributable to ordinary equity holders of the parent	452	1,672	583	5,415
Minority Interest	127	22	251	283
Profit For The Period	579	1,694	834	5,698
Earnings per ordinary share attributable to equity holders of the Company (EPS)	(sen)	(sen)	(sen)	(sen)
- Basic	0.20	0.86	0.26	2.78
- Diluted	0.20	0.73	0.26	2.37

(The Unaudited Condensed Consolidated Income Statement Should Be Read In Conjunction With
The Audited Financial Statements For The Year Ended 31 March 2007).



SITT TATT BERHAD (55576-A)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT

31 December 2007
(UNAUDITED)

31 March 2007
(AUDITED)
RESTATED

ASSETS	RM'000	RM'000
<u>Non-current Assets</u>		
Property , Plant and Equipment	27,569	25,225
Prepaid lease payment	2,261	2,303
Intangible Assets	86,396	66,244
Other Investments	8,742	9,751
Fixed Deposit	375	821
Deferred Tax Assets	185	184
	<u>125,528</u>	<u>104,528</u>
<u>Current Assets</u>		
Inventories	10,933	7,858
Trade Receivables	17,405	18,501
Tax Recoverable	-	129
Other Receivables, Deposit and Prepayments	19,324	14,070
Cash & Cash Equivalent	55,124	63,762
	<u>102,786</u>	<u>104,320</u>
TOTAL ASSETS	<u>228,314</u>	<u>208,848</u>
EQUITY AND LIABILITIES		
<u>Equity Attributable To Equity Holders Of The Company</u>		
Share Capital :		
- Ordinary Shares	228,718	194,590
- Irredeemable Convertible Preference Shares (ICPS)	10	34,138
Reserves	(41,113)	(42,696)
	<u>187,615</u>	<u>186,032</u>
Minority Interest	5,718	5,467
Total Equity	<u>193,333</u>	<u>191,499</u>
<u>Non-current Liabilities</u>		
Borrowings	2,849	801
Other Deferred Liabilities	1,074	1,032
	<u>3,923</u>	<u>1,833</u>
<u>Current Liabilities</u>		
Trade Payables	5,916	6,244
Other Payables and Accruals	10,080	3,966
Bank Overdraft	1,707	1,798
Other Short Term Borrowings	12,751	2,694
	<u>14,458</u>	<u>4,492</u>
Taxation	604	814
	<u>31,058</u>	<u>20,008</u>
Total Liabilities	<u>34,981</u>	<u>21,841</u>
TOTAL EQUITY AND LIABILITIES	<u>228,314</u>	<u>213,340</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM).		
	0.82	0.96

(The Unaudited Condensed Consolidated Balance Sheet Should Be Read In Conjunction With The Audited Financial Statements For The Year Ended 31 March 2007).



UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER

	2007	2006
	9 Months Ended	9 Months Ended
	31 December	31 December
	RM'000	RM'000
Profit Before Tax	2,007	7,122
<u>Adjustment For Non-cash Flow :</u>		
Non-cash Items	3,533	818
Non-operating Items	(979)	375
Operating Profit Before		
Changes In Working Capital	4,561	8,315
<u>Changes In Working Capital</u>		
Net Changes In Current Assets	(7,013)	(2,106)
Net Changes In Current Liabilities	4,860	2,464
Cash Flow From Operating Activities	2,408	8,673
Tax Paid	(1,294)	(1,846)
Interest paid	(358)	(683)
Net Cash Flow From Operating Activities	756	6,144
<u>Investing Activities</u>		
- Equity investment	26	-
- Other investment	1,133	(281)
- Net cash used in acquisition of subsidiary group (Refer Note 1 below)	(19,451)	-
<u>Financing Activities</u>		
- Bank borrowings	8,989	(2,670)
Net Changes In Cash & Cash Equivalent	(8,547)	3,193
Cash & Cash Equivalent At Beginning Of The Quarter	61,964	5,773
Cash & Cash Equivalent At End Of The Quarter (Refer Note 2 below)	53,417	8,966

(The Unaudited Condensed Consolidated Cash Flow Statement Should Be Read In Conjunction With The Audited Financial Statements For The Year Ended 31 March 2007.)



NOTES TO UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER

1) Net cash used in acquisition of subsidiary group

	2007 9 months Ended 31 December RM000's	2006 9 months Ended 31 December RM000's
Total Assets	417	-
Total Liabilities	<u>(827)</u>	<u>-</u>
Net liabilities	<u>(410)</u>	<u>-</u>
STB portion of net liabilities	(308)	-
Goodwill on acquisition	<u>20,085</u>	<u>-</u>
Purchase consideration	19,777 *	-
Less : Cash and bank balances acquired	<u>326</u>	<u>-</u>
Net cash used in acquisition of subsidiary group	<u>19,451</u>	<u>-</u>

* The purchase consideration is equivalent to Singapore Dollars 8.5 million and comprise of 527,000,001 new ordinary shares of China Food Industries Limited at Singapore Dollars 0.016 per share. For further details refer to Note 23 (B).

2) Cash and cash equivalent At End Of The Quarter

	2007 9 months Ended 31 December RM000's	2006 9 months Ended 31 December RM000's
Bank overdraft	(1,707)	(2,691)
Cash and Bank and Short Term Deposits	<u>55,124</u>	<u>11,657</u>
	<u>53,417</u>	<u>8,966</u>



Part A – Explanatory Notes Pursuant to Financial Reporting Standards (FRS) 134 Interim Financial Reporting

1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS134: 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 March 2007. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to understand the changes in the financial position and performance of the Group since the financial year ended 31 March 2007.

The accounting policies and method of computation applied in the preparation of these quarterly financial statements are consistent with those used in the preparation of the Group's audited financial statements for the financial year ended 31 March 2007.

2 Accounting Policies

The significant accounting policies adopted by the Group for the interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 March 2007 except for the adoption of the following new or revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 April 2007:

FRS 117	Leases
FRS 124	Related Party Disclosures
FRS 6	Exploration for and Evaluation of Mineral Resources; and
Amendment to FRS 119 ²⁰⁰⁴	Employee Benefits- Actuarial Gains and Losses, Group Plans and disclosures

FRS 6 is not relevant to the Group's operation

FRS 139 Financial Instruments: Recognition and Measurement which will only be effective on a future date to be advise by Malaysian Accounting Standards Board (MASB).

The principal effects of the change in accounting policy resulting from the adoption of the revised FRS 117 is set out below:-

Prior to the adoption of the revised FRS 117, leasehold land was classified as property, plant and equipment and was stated at cost or valuation less accumulated depreciation and impairment losses. Under the revised FRS 117, leasehold land is an operating lease unless title passes to the lessee at the end of the lease term.

With the adoption of the revised FRS 117, the unamortized carrying amounts of leasehold land are now classified as prepaid lease payments and amortised over the period of its remaining lease term, as allowed by the transitional provisions of the revised FRS 117. The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively and the comparatives in the balance sheet have been restated.



2. Accounting Policies (Cont'd)

ii) The effects on the comparatives to the Group on adoption of FRS 117 are as follows:

	As previously reported RM'000	Effects on adoption of FRS 117 RM'000	As restated RM'000
At 31 March 2007			
Property, plant and equipment	27,528	(2,303)	25,225
Prepaid lease payments	-	2,303	2,303

3 Auditors' Report on preceding Annual Financial Statements

The Auditors' Report on the preceding Annual Financial Statements for the year ended 31 March 2007 was not qualified.

4 Seasonal or cyclical factors

The Group's results for the current financial quarter and the financial year-to-date were not materially affected by any seasonal or cyclical factors.

5 Unusual items due to their nature, size or incidence

There are no unusual items affecting assets, liabilities, equity, net income, or cash flow during the reporting quarter as well as the financial year to-date.

6 Changes in estimates

There were no material changes in estimates of amounts reported in prior interim periods of the current financial period or in prior financial years that have a material effect in the current quarter.

7 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities.

8 Dividends paid

There were no dividends declared or paid during the quarter ended 31 December 2007 as well as financial year-to-date.



9 Segmental information

By business segments	Current quarter 3 months ended 31.12.2007		Cumulative quarter 9 months ended 31.12.2007	
	Turnover RM'000	Profit/ (Loss) before taxation RM'000	Turnover RM'000	Profit/ (Loss) before taxation RM'000
Semiconductor related Industry	10,718	1,003	34,435	3,568
Industrial gases and related equipment	1,895	130	6,558	138
Industrial chemicals	51	53	267	15
Sticker and label printing	3,366	205	10,668	663
Investment holding	5,331	(479)	20,928	(2,377)
Elimination of inter- segment sales	(7,404)		(22,953)	
	<u>13,957</u>	<u>912</u>	<u>49,903</u>	<u>2,007</u>

10 Carrying amount of revalued assets

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 March 2007.

11 Subsequent events

Other than those disclosed in Note 23, there are no material subsequent events that took place after this current quarter.

12 Changes in composition of the Group

With the completion of the subscription of shares of China Food Industries Limited of Singapore ("CFI") on 21 November 2007, the Company has a 75% interest in CFI.

13 Changes in contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets during the reporting quarter as well as the financial year-to-date.

14 Capital commitments

Other than those disclosed in Note 23 of (A) (1), there are no material capital commitments for the Company and the Group.



15 Significant related party transactions

	Current quarter 3 months ended 31.12.2007 RM'000	Cumulative quarter 9 months ended 31.12.2007 RM'000
1) Air Products STB Sdn Bhd (An associate company of the Group)		
a) Management fees received	-	273
b) Sale of welding electrode	398	1,536
2) Chase Perdana Berhad (CPB) (STB is a corporate shareholder in CPB)		
a) Rental of office premises	40	120
b) Management fee and other services receivable	296	708
3) Shinsho (Malaysia) Sdn Bhd (A corporate shareholder in a subsidiary company)		
Sale of welding electrode	4	117
4) Kobe Welding (Singapore) Pte Ltd (A corporate shareholder in a subsidiary company)		
a) Sale of welding electrode	-	414
b) Purchase of raw materials	459	1,200
5) Goodweld Corporation (A corporate shareholder in a subsidiary company)		
Purchase of raw materials	-	109

These transactions had been entered on a negotiated basis.



Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

16 a) Review of results for the current quarter for the period ended 31 December 2007 and 31 December 2006.

For the three months ended 31 December 2007, the Group recorded a profit after tax and minority interest of RM 0.452 million as compared to RM 1.672 million reported in the preceding year's corresponding quarter. The reduction in the Group's results for the current quarter is mainly due to lower revenue and the disposal of the Group's associated company in January 2007 which had previously contributed to the Group's results.

The Group recorded revenue of RM 13.96 million for the period of three months ended 31 December 2007. The reduction in revenue by RM 5.55 million or 28% as compared to the preceding year's corresponding quarter of RM 19.51 million was mainly attributed to lower revenue recorded in the semiconductor related segment and investment holding segment.

b) Review of results for the 9 months period ended 31 December 2007 and 2006.

For the nine months ended 31 December 2007, the Group recorded a profit after tax and minority interest of RM 0.583 million as compared to RM 5.415 million reported in the preceding year's corresponding nine month period. The reduction in the Group's results for the nine month period was mainly attributed to the same reasons in note 16 (a) above.

The Group recorded revenue of RM 49.903 million for the period of nine months ended 31 December 2007. The reduction in revenue by RM 11.483 million or 18 % as compared to the preceding year's corresponding nine month period of RM 61.386 million was mainly attributed to the same reasons in note 16 (a) above.

17 Material changes in the profit before taxation compared with the immediate preceding quarter

The Group recorded a profit before taxation of RM 0.912 million in this quarter as compared to RM 0.637 million reported in the second quarter ended 30 September 2007. The increase of RM 0.275 million was mainly contributed by higher profits in the industrial gases and related equipment segment and reduction of expenses in the investment holding segment.

18 Coming financial year prospects

The overall performance of the Group depends substantially on the performance of the Company's subsidiaries in Singapore and China which are involved in the semiconductor related industry.

Barring any unforeseen circumstances and considering the current level of operations and market conditions, the Directors expect the Group to continue to achieve operating profits in this current financial year.



19 Variance of actual profit from forecast profit or profit guarantee

The Company did not provide any profit guarantee during this reporting quarter.

The Company received a profit guarantee in respect of the following transaction:

The Group acquired Pyramid Manufacturing Industries Pte. Ltd., CEM Machinery Pte. Ltd. and PMI Plating Services Pte. Ltd. from MISL & Associates Sdn. Bhd. (“Vendor”) on 3 June 2003. The Vendor guaranteed profits of not less than an aggregate profit after tax of RM69.3 million from the three companies for three financial years ended 31 March 2004, 31 March 2005 and 31 March 2006.

The Company and the Vendor had placed 34,127,700 Irredeemable Convertible Preference Shares (“ICPS”) as security with Messrs. Arulampalam & Co. as the Stakeholder. These ICPS were subsequently converted into 34,127,700 new ordinary shares of the Company on 13 April 2007.

The actual aggregate profit after tax up to 31 March 2006 registered by the three companies was RM21.5 million. The shortfall of RM47.8 million will be recovered from the sale of the 34,127,700 new ordinary shares and any shortfall will be subsequently recovered from the Vendor.

As at 31 December 2007, the Stakeholder had sold 360,000 ordinary shares in the open market at an average price of 50 sen per share resulting in net proceeds of RM168,486.

20 Taxation

	Current quarter 3 months ended 31.12.2007 RM'000	Cumulative quarter 9 months ended 31.12.2007 RM'000
Malaysian taxation	(69)	(213)
Overseas taxation	<u>(264)</u>	<u>(960)</u>
	<u>(333)</u>	<u>(1,173)</u>

The Group’s effective tax rates of both the Malaysian and Singapore operations for the cumulative quarter ended 31 December 2007 are higher than the statutory tax rates mainly due to:

- i) the tax liability arising from the profitable subsidiary companies are not allowed to be set off against losses incurred by loss making subsidiary companies; and
- ii) certain expenses are disallowed for tax purposes.



21 Sales of unquoted investments and/or properties

There were no sale of any unquoted investments or properties during the reporting quarter as well as the financial year-to-date.

22 Quoted securities

- a) There were no sale of any unquoted shares during the reporting quarter.
- b) The value of the securities as at 31 December 2007 are as follows:

	RM'000
Investment in quoted securities:	
At cost	21,785
At carrying value	473
At market value	457

23 Status of corporate proposals

(A) The status of the utilisation of RM70 million proceeds from the disposal of an associated company, Air Products STB Sdn Bhd (“APSTB”) is as follows:

	Purpose	Proposed	Actual	Intended Timeframe For Utilisation	To Be Utilised		Explanation
		Utilisation	Utilisation		RM Million	%	
		RM Million	RM Million				
(i)	New business opportunities	⁽¹⁾ 36.9	-	Up to 3 years	36.9	100	Refer note (1)
(ii)	Expansion of existing business	20.0	1.9	Up to 2 years	⁽²⁾ 18.1	91	In progress
(iii)	Repayment of bank borrowings	7.8	⁽³⁾ 7.8	Completed	⁽³⁾ -	-	Utilised
(iv)	Working capital	5.0	5.0	Completed	-	-	Utilised
(v)	Estimated expenses	0.3	0.3	Completed	-	-	Utilised
		70.0	15.0		55.0	79	



23 Status of corporate proposals (Cont'd)

(A) The status of the utilisation of RM70 million proceeds from the disposal of an associated company, Air Products STB Sdn Bhd (“APSTB”) is as follows (cont'd):

Explanatory note:

(1) On 25 October 2007, the Company entered into a conditional Sale and Purchase Agreement (SPA) for the acquisition of the 4th, 5th and 6th floors being the three (3) floors of strata titled office space together with 117 car park bays in Wisma Chase Perdana (Office Lots) on an “as is where is basis” from Chase Perdana Berhad (CPB) for a cash consideration of RM37.8 million. The Company intends to utilise the proceeds of RM36.9 million for this proposed acquisition.

The proposed acquisition is conditional upon approvals being obtained from the following authorities/ parties:-

- a) the Securities Commission (SC), where required;
- b) the Foreign Investment Committee, where required;
- c) the shareholders of the Company and CPB at an extraordinary general meeting to be convened; and
- d) any other relevant authorities or parties, if required.

The Company made a payment of RM 3 million to CPB as deposit for the purpose of the above acquisition.

On 11 February 2008, SC approved the utilisation of RM36.9 million earmarked for new business opportunities, for the acquisition of the Office Lots. SC also approved the above proposed acquisition pursuant to the FIC’s guidelines on the acquisition of properties by local and foreign interests.

The acquisition of the Office Lots is subject to approvals to be obtained from the shareholders of STB and CPB in their respective extraordinary general meetings to be determined at a later date.

(2) The expansion in the semiconductor related business in Singapore and China subsidiaries.

Included in the RM18.1 million funds to be utilised for the purpose of expansion of existing business, the Company has placed RM7 million into Fixed Deposit (“FD”) through its subsidiaries pledged as collateral with a bank for the purposes of securing financing.



23 Status of corporate proposals (Cont'd)

(3) The bank borrowings have been fully settled.

The details of the utilisation and outstanding bank borrowings are as follows:

No.	Bank borrowings	Estimated amount as per SC letter dated 17 October 2006 <u>RM' Million</u>	Balance outstanding after receipt of proceeds of RM70 million in Jan 2007 <u>RM' Million</u>	Actual payment made <u>RM' Million</u>
1.	Bank overdraft	2.6	2.0	2.0
2.	Term loan	1.0	-	-
3.	Revolving credit	4.0	3.8	3.8
4.	Bankers acceptance	0.2	-	-
	Total	<u>7.8</u>	<u>5.8</u>	<u>5.8</u>

The excess of RM 2 million was transferred and utilised as working capital.

(B) On 29 August 2007, the Company had entered into a Subscription Agreement with China Food Industries Limited of Singapore ("CFI") for the subscription of 527,000,001 new ordinary shares ("new shares") in CFI by way of a private placement at a total subscription price of Singapore Dollars 8.5 million. This New Shares represent 75% of the enlarged issued and paid up capital of CFI. CFI is listed on the Singapore Exchange Securities Dealing and Automated Quotations Systems (SGX-SESDAQ). CFI's shares were suspended since 29 December 2006 upon CFI Board of Directors' request. The last traded price before the suspension was at Singapore Dollars 0.065.

On 4 October 2007, the Securities Industry Council, Singapore had approved the application for a waiver from the obligation of the Company and its concert parties from making a general offer for CFI's shares not already owned by the Company or its concert parties, subject to the conditions as announced in the Company's announcement made to Bursa on 5 October 2007.

The shareholders of CFI have duly approved all the resolutions pertaining to the Proposed Subscription at its Extraordinary General Meeting held on 12 November 2007.

The subscription of shares was completed on 21 November 2007 resulting in the Company having a 75% interest in CFI.

(C) On 27 December 2007, the Company entered into a Conditional Sale and Purchase Agreement for the sale of a 75% equity interest in Pyramid Manufacturing Industries Pte Lte, a wholly owned subsidiary of the Company, to CFI for a total consideration of SGD 18.75 million to be fully satisfied by the allotment and issue of 1,171,875,000 new CFI shares credited as fully paid.



23 Status of corporate proposals (Cont'd)

The proposed sale is pending approvals being obtained from the following authorities and parties:-

- i) board of directors and shareholders of the CFI;
- ii) board of directors and shareholders of the Company;
- iii) the completion of a legal and financial due diligence exercise by CFI on Pyramid and its subsidiaries and the results of such exercise being reasonably satisfactory to CFI;
- iv) the completion of a legal and financial due diligence exercise by the Company on CFI, its subsidiaries and associated companies and the results of such exercise being reasonably satisfactory to the Company;
- v) Singapore Exchange Securities Trading Limited (“SGX-ST) in respect of the transactions contemplated in the SPA being granted or obtained and the compliance with all requirements under the SGX-ST Listing Manual being fulfilled, and such fulfillment and approval being in full force and effect and not having been withdrawn, suspended, amended or revoked; and
- vi) any other relevant authorities or parties, if required.

24 Group borrowings and debt securities

	As at 31.12.2007 RM'000
Short term borrowings:	
Secured	13,127
Unsecured	1,331
	<u>14,458</u>
Long term borrowings:	
Secured	2,849
Unsecured	-
	<u>2,849</u>
Total	<u><u>17,307</u></u>

Included in the above are borrowings of approximately RM10.89 million which are denominated in Singapore Dollars.

25 Off-balance sheet financial instruments

There are no financial instruments with off-balance sheet risk issued by the Group as at the date of this report.



26 Material litigation

As at the date of reporting, the following are the updates of the existing and new material litigation of the Group which are still subsisting.

(A) **Kuala Lumpur High Court Civil Suit No: D2-22-1933-98**
Ninian Mogan Lourdenadin & Martrona D’Cruz a/p Tharsis D’Cruz (“Plaintiffs”)
v Sitt Tatt Berhad.

The above case refers to the recovery of a RM10 million deposit paid to the Plaintiffs pursuant to 2 share sale agreements dated 25 January 1995. On 19 September 2006, Plaintiffs’ appeal to the Court of Appeal against the decision to allow the amendments to the Defence and Counter claim was dismissed with cost. Plaintiffs appeal to the Federal Court against this decision was also dismissed. In the interim, Plaintiffs’ have also applied for a stay of proceedings of the suit which was also dismissed.

Current Status : The suit is now fixed for hearing from 25th February to 28th February 2008.

(B) **Kuala Lumpur High Court Civil Suit No: S7-22-962-2002**
ST Chemicals Sdn Bhd (“STC”) v Sentul Commerce Centre Sdn Bhd

This case refers to the recovery of RM1.5 million paid to the Defendant pursuant to a sale and purchase agreement dated 19 October 2000. Trial was conducted on 28 November 2005 and the Court granted judgment in favour of STC. Section 218 Notice to wind up the Defendant has been served against the Defendant. However there has been no response from the Defendant.

Current Status: The Defendant has been wound up and it is now no longer cost effective to proceed with further legal action.

(C) (i) * **Alor Star High Court Civil Suit No: 22-239-2002**
Sitt Tatt Marketing Sdn Bhd (“STM”) v Kwaliti Textiles (M) Sdn Bhd (“KTSB)

On 25 October 2004, judgment in default of appearance was entered against the Defendant.

Current Status : Winding-up proceedings against the Defendant which were initiated has been withdrawn as the Defendant Company has moved out from the premises and no longer in operation. It is no longer cost effective to proceed with further legal action.



26 Material litigation (Cont'd)

(C) (ii)* Alor Star High Court Civil Suit No: 22-252-2002
Sitt Tatt Marketing Sdn Bhd ("STM") v M. Sathappan Ravi

At the trial date on 11 April 2007, judgment was granted in favour of STM.

Current Status : Execution proceedings cannot be effected as the Defendant cannot be traced. It is no longer cost effective to proceed with further legal action.

* The above cases refer to a claim for payment of RM1,668,240.83 owed by the Defendant and the guarantor for KTSB respectively in respect of goods sold and delivered by the Plaintiff.

(D) (i) ** SIAC Arbitration No. 064 of 2006 (ARB064/06)
Sitt Tatt Berhad ("STB") v Prime International Consultancy Pty. Ltd

STB had on 31 August 2006 commenced arbitration proceedings in Singapore against Prime International Consultancy Pty. Ltd. ("Prime" or "Respondent"), a company incorporated in Australia for breach of the Tripartite Joint Venture Agreement and the Joint Venture Agreement ("Agreements") entered into between STB, Prime and PT Kutai Timur Resources on 27 July 2005 and 24 August 2005 respectively to survey, study, mine, manage, revive, develop, explore, exploit and produce oil and gas from wells in certain areas in Indonesia ("the Project").

STB is seeking the return of the sum of USD1 million which was paid to the Respondent as an advance to secure the Project.

Current Status: Arbitration dates fixed from 3rd March to 13th March 2008.

(D) (ii) ** High Court of Singapore ("Court") Suit No. 560 of 2006/ B
Sitt Tatt Berhad ("STB") v Goh Tai Hock

STB had instituted legal proceedings against Goh Tai Hock, the Chief Executive Officer of Prime ("the Defendant") on 31 August 2006. STB is claiming the return of the sum of USD1 million.

Current Status: Trial proceeded from 21st January to 30th January 2008 and is now pending Court decision.

* * Both the above cases are inter related.



26 Material litigation (Cont'd)

(E) KL High Court Suit No. D1-22-347-2007
Sitt Tatt Berhad (“STB”) v Melati Usaha Sdn Bhd (“Melati”)

STB has commenced a legal action against Melati, a company incorporated in Malaysia for breach of contract by Melati under a Sale Shares Agreement dated 30 April 1997.

STB is seeking, the following claims from Melati:-

1. Judgment for the total amount of RM5,808,650;
2. Interest on RM5,808,650 at the rate of 8 percent per annum with effect from 19 April 2001 until the date of full payment;
3. Costs; and
4. Such further relief as the Court may deem fit and just to be granted.

Current Status: The Company is in the process of filing a summary judgment application.

27 Dividend

The Board of Directors does not recommend payment of any dividend for the reporting quarter.

28 Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of shares in issue during the period.

	Current quarter 3 months ended 31.12.2007	Cumulative quarter 9 months ended 31.12.2007
Profit attributable to ordinary equity holders of the parent (RM'000)	452	583
Weighted average number of ordinary shares in issue ('000)	227,229	227,229
Basic earnings per share (sen)	<u>0.20</u>	<u>0.26</u>



28 Earnings per share (Cont'd)

Diluted

For the purpose of calculating diluted earnings per share, the profit for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary shares, including the Irredeemable Convertible Preference Shares.

	Current quarter 3 months ended 31.12.2007	Cumulative quarter 9 months ended 31.12.2007
Profit attributable to ordinary equity holders of the parent (RM'000)	452	583
Weighted average number of ordinary shares in issue ('000)	227,229	227,229
Effect of dilution:		
Irredeemable Convertible Preference Shares ('000)	<u>10</u>	<u>10</u>
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>227,239</u>	<u>227,239</u>
Diluted earnings per share (sen)	<u>0.20</u>	<u>0.26</u>

29 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 28 February 2008.