



## ANCOM BERHAD

(Company No. 8440-M)  
Incorporated in Malaysia

### A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2008

#### A1. Basis of preparation

This Interim Financial Report ("Report") is unaudited and has been prepared in accordance with Financial Reporting Standards ("FRS") 134<sub>2004</sub> - Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

This Report should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 May 2007. The Explanatory Notes in this Report provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2007.

The significant accounting policies adopted by the Group in this Report are consistent with those used in the Audited Financial Statements of the Group for the financial year ended 31 May 2007 except for the adoption of the following new/revised FRS effective for the financial year beginning 1 June 2007:

FRS 117	Leases
FRS 124	Related Party Disclosure

The principal effects of changes in accounting policies resulting from the adoption of the following FRS are discussed below:

#### FRS 117: Leases

Prior to 1 June 2007, leasehold land was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses. The adoption of the revised FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The upfront payments made for the leasehold land represents prepaid lease payments and are amortized on a straight-line basis over the lease term.

The Group has applied the change in accounting policy relating to the leasehold land in accordance with the transitional provisions of FRS 117. At 1 June 2007, the unamortized amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments. The reclassification of the leasehold land as prepaid lease payments has been accounted for retrospectively and certain comparative amounts as at 31 May 2007 have been restated as follows:-

	Previously stated RM'000	Adjustments FRS 117 RM'000	Restated RM'000
<b>At 31 May 2007</b>			
Property, plant and equipment	280,018	(50,483)	229,535
Prepaid lease payments	-	50,483	50,483

**A2. Audit Report of the Preceding Audited Financial Statements**

The audit report for the Group's Audited Financial Statements for the financial year ended 31 May 2007 was not qualified.

**A3. Seasonal or Cyclical Factors**

The interim business operations of the Group were not materially affected by any seasonal or cyclical factors.

**A4. Unusual Items Affecting the Assets, Liabilities, Equity, Net Income or Cash Flows**

Other than disclosed in Note A11 below, the Group's assets, liabilities, equity, net income or cash flows were not affected by items that are material and unusual because of their nature, size or incidence in the third quarter and financial year-to-date.

**A5. Material Changes in Estimates**

There were no material changes in estimates that have a material effect in the results for the third quarter and financial year-to-date.

**A6. Changes in Debts and Equity Securities**

During the financial year-to-date, the Company:

- (i). did not purchased any ordinary shares in the Company pursuant to Section 67A of the Companies Act, 1965.
- (ii). disposed a total of 3,907,500 Treasury Shares for a total consideration of RM4.23 million, details of which are as follows:

Date	No. of Treasury Shares Sold	Highest Price (RM)	Lowest Price (RM)	Average Price (RM)	Total Consideration Received (RM'000)
Jun 2007	458,300	1.050	1.040	1.040	476
Aug 2007	104,000	1.060	1.050	1.048	109
Sept 2007	1,991,600	1.060	1.010	1.028	2,041
Oct 2007	1,353,600	1.230	1.160	1.194	1,610
	3,907,500				4,236

*Note : The consideration is after deducting brokerage and other fees.*

As at 29 February 2008, the total number of Treasury Shares held by the Company is 1,400,527 shares at a total cost of RM1.0 million.

Other than the above, there were no issuance, cancellation, repurchase, resale and repayments of debt and equity securities during the financial year-to-date.

**A7. Dividend Paid**

On 31 July 2007, Company had declared an interim cash dividend of 5 sen, less income tax, in respect of the financial year ended 31 May 2007. This dividend was paid on 14 September 2007.

## A8. Segmental Results

9-Month Ended 29 February 2008	Investment Holdings		Agricultural Chemicals		Industrial Chemicals		Oil & Gas Engineering Services		Logistic		Information Technology		Media		Polymer		Engineering		Building Products		Eliminate		Continuing Operations		Discontinued Operations*		Consolidate	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	79	92,265	1,198,263	2,832	37,818	21,591	9,416	98,152	44,496	6,725	1,511,637	282,306	1,793,943															
External sales																												
Inter-segment Sales	11,728	15,522	662		1,660	2,207																						
Total	11807	107,787	1,198,925	2,832	39,478	23,798	9,416	98,152	44,496	6,725	1,511,637	282,306	1,793,943															
<b>Results</b>																												
Segment results	(11,272)	4,782	53,859	(1,841)	8,721	1,071	(3,620)	2,742	(1,134)	322	53,630	31,225	84,855															
Unallocated corporate expenses**											(10,158)	-	(10,158)															
<b>Operating profits</b>																												
Finance cost											43,472	31,225	74,697															
Share of results of Associates											(12,029)	(4,971)	(17,000)															
<b>Profit before tax</b>											634	-	634															
Tax expense																												
<b>Profit for the period</b>											17,735	23,295	41,030															

\* Please refer to Note A11(2) below.  
\*\* arising from the consolidation of results of Nylex (Malaysia) Berhad

**A8. Segmental Results (continue)**

9-Month Ended 28 February 2007	Investment Holdings		Agricultural Chemicals		Industrial Chemicals		Oil & Gas Engineering Services		Logistic		Information Technology		Media		Polymer		Engineering		Building Products		Eliminate		Continuing Operations		Discontinued Operations*		Consolidate			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Revenue	168	52,930	920,505	3,208	38,729	6,916	-	91,329	68,914	7,059	1,189,758	249,215	1,438,973																	
External sales	4,967	10,150	4,434	-	3,247	929	-	-	-	-	(23,727)	-	-																	
Inter-segment Sales	5,135	63,080	924,939	3,208	41,976	7,845	-	91,329	68,914	7,059	(23,727)	249,215	1,438,973																	
<b>Results</b>																														
Segment results	(8,233)	2,824	35,952	(329)	5,896	(1,327)	-	5,600	392	355	41,130	20,043	61,173																	
Unallocated corporate expenses**											4,059	-	4,059																	
<b>Operating profits</b>																														
Finance cost											45,189	20,043	65,232																	
Share of results of Associates											(11,113)	(4,734)	(15,847)																	
<b>Profit before tax</b>																														
Tax expense											1,575	-	1,575																	
<b>Profit for the period</b>																														
											26,548	11,553	38,101																	

\* Note: please refer to Note A11(2) below.  
\*\* arising from the consolidation of results of Nylex (Malaysia) Berhad

#### **A9. Valuation of Property, Plant and Equipment**

The valuations of property, plant and equipment have been brought forward, without amendments, from the Audited Financial Statements for the financial year ended 31 May 2007.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

#### **A10. Events Subsequent to the Reporting Period**

Other than disclosed in note A11 and B8 below, there were no significant events subsequent to the third quarter.

#### **A11. Effects of Changes in Composition of the Group**

1. During the financial year-to-date, the Group
  - i). completed the purchase of an additional 10,300,114 ordinary shares of RM1 each representing 9.6% equity interest in Rhodemark Development Sdn Bhd ("RDSB") for cash consideration of RM6.2 million. Consequently, Ancom's shareholding in RDSB increased from 50.1% to 59.7%.

RDSB is an investment holding company. Its principal assets are 14.2% equity interest in Nylex (Malaysia) Berhad ("Nylex"), a company listed on the Main Board of Bursa Securities and 44.9% equity interest in Tamco Corporate Holdings Berhad ("Tamco"), a company listed on the MESDAQ Market of Bursa Securities;

- ii). completed the purchase of 2 ordinary shares of RM1 each representing 100% equity interest in Rentas Cabaran Sdn Bhd ("RCSB") for cash consideration of RM2.

RCSB is principally an investment holding company. Its principal asset is its 24.9% equity interest in Meru Utama Sdn Bhd ("MUSB"), an associate of the Company.

Following the completion of the acquisition, RCSB became a 100% owned subsidiary of Ancom, and MUSB became a 54.9% owned subsidiary of the Group.

The Company subsequently subscribed for 9,000 new ordinary shares of RM1 each at RM1,000 per share issued by RCSB for cash consideration of RM9.0 million, the proceeds of which was used to redeem the entire 8,039,965 Redeemable Preference Shares Series A of RM0.10 each ("RCPS") in RCSB based on the issue price of the RCPS together with the accrued dividend up to the date of redemption;

- iii). completed the subscription of 104,000 new ordinary shares of RM1 each representing 51% of the enlarged share capital of Wheel Sport Management Sdn Bhd ("WSM") at par for cash.

WSM is principally involved in organizing and promoting of international and local motor sports events;

- iv). completed the acquisitions of the entire paid up share capital comprising 2 ordinary shares of RM1 each respectively in RedBerry Media Sdn Bhd, RedBerry Outdoors Sdn Bhd (formerly known as Linear 88 Sdn Bhd), RedBerry Productions Sdn Bhd (formerly known as Maxi Frontier Sdn Bhd), and RedBerry Events Sdn Bhd (formerly known as Region Tower Sdn Bhd) for cash consideration of RM2 each.

These companies are/will be principally involved in media business;

#### **A11. Effects of Changes in Composition of the Group (continue)**

- v). completed the subscription of 2,632,000 new ordinary shares of RM1 each representing 70% of the enlarged share capital of Focus Media Network Sdn Bhd ("FMN") at par for cash, and the acquisition of the remaining 30% equity interest in FMN for RM1.6 million cash, resulting in FMN becoming a wholly owned subsidiary of the Group.

FMN is principally involved in providing media services. It is set up to become the sole and exclusive right distributor to the Focus Media brand and business model of out-of-home audiovisual advertising network in Malaysia granted by Focus Media (China) Holdings Limited;

- (vi). completed the disposal of its entire 960,000 ordinary shares of RM1 each representing 20% equity interest in Transmare-Chemie (Singapore) Pte Ltd for cash consideration of SGD\$1.4 million (equivalent to RM3.1 million);
- (vii). completed the internal re-organisation where Tamco transferred its assets and liabilities associated with its switchgear business to Tamco Switchgear (Malaysia) Sdn Bhd ("TSM"), a wholly-owned subsidiary of Tamco, and
- (viii). completed the disposal of Tamco's entire interest in Tamco Systems Technology (Shanghai) Co Ltd ("TSTS") for a total cash consideration of Renminbi 150,000 (approximately RM67,245 at the exchange rate of Renminbi 1.00 : RM0.4483).
2. On 11 October 2007, Tamco entered into a Conditional Share Sale agreement with Larsen & Toubro Limited to dispose of its switchgear business for a total consideration of RM378.0 million ("Proposed Disposals"). The Proposed Disposals will be carried out via the disposal of Tamco's entire equity interests in four subsidiaries, namely TSM, Tamco Shanghai Switchgear Co Ltd, Tamco Electrical Industries Australia Pty Ltd and PT Tamco Indonesia ("Switchgear Business").

In April 2008, Tamco announced that the Proposed Disposals have been completed.

Consequently to the events above, the results of TSTS and the Switchgear Business ("Disposed Group"), have been presented separately on the consolidated income statement as discontinued operations. The corresponding comparatives for the previous reporting quarter have been restated to reflect the change. On the consolidated balance sheet, the carrying amounts of the investments in these subsidiaries have also been presented as non-current assets held for sale.

#### A11. Effects of Changes in Composition of the Group (continue)

The analysis of the results of discontinued operations and the results recognised on the re-measurement of the assets of the Disposed Group is as follows:

	Individual Quarter		Cumulative 9 months ended	
	29.02.2008	28.02.2007	29.02.2008	28.02.2007
	RM'000	RM'000	RM'000	RM'000
Revenue	99,409	78,964	282,306	249,215
Expenses	<u>(86,989)</u>	<u>(74,899)</u>	<u>(256,052)</u>	<u>(233,906)</u>
Profit before taxation from discontinued operations	12,420	4,065	26,254	15,309
Taxation	<u>(2,319)</u>	<u>36</u>	<u>(2,959)</u>	<u>(3,756)</u>
Net profit from discontinued operations	<u>10,101</u>	<u>4,101</u>	<u>23,295</u>	<u>11,553</u>

The major classes of assets and liabilities of the Disposed Group classified as held for sale on the consolidated balance sheet as at 29 February 2008 are as follows:

	RM'000
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	37,705
Prepaid lease payments	14,622
Intangible assets	1,435
Deferred tax assets	230
	<u>53,992</u>
<b>Current assets</b>	
Inventories	121,008
Trade and other receivables	170,847
Cash and bank balances	2,224
	<u>294,079</u>
Asset of disposal group/Non-current assets classified as held for sale	<u>348,071</u>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Deferred tax liabilities	398
Retirement benefit obligations	1,207
	<u>1,605</u>
<b>Current liabilities</b>	
Trade and other payables	110,293
Amount due to associated companies	774
Borrowings	70,089
Provision for taxation	484
	<u>181,640</u>
Liabilities directly associated with assets classified as held for sale	<u>183,245</u>

**A11. Effects of Changes in Composition of the Group (continue)**

Tamco has effectively ceased its major operations after the Proposed Disposals. Therefore, Tamco is classified as an affected listed issuer based on Paragraph 2.1 of Guidance Note No. 3/2006 of the Listing Requirements of Bursa Securities for MESDAQ Market. In addition, Tamco may be classified by Bursa Securities as a “Cash Company” under Guidance Note No. 2/2006 of the Listing Requirements for MESDAQ Market.

Save for those disclosed above, there were no material changes in the composition of the Group during the financial year-to-date.

**A12. Changes in Contingent Liabilities Since the Last Annual Balance Sheet Date**

	Financial Quarter Ended 29 Feb 08 RM'000	Financial Year Ended 31 May 07 RM'000	Changes RM'000
Potential performance – based consideration for acquisition by a subsidiary (unsecured)	5,100	5,100	-
Shipping guarantees	-	3,584	(3,584)
Litigation claim	2,079	-	2,079
Letter of Credit		2,038	(2,038)
Total	<u>7,179</u>	<u>10,722</u>	<u>(3,543)</u>



**B. ADDITIONAL INFORMATION PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. Review of Group's Performance**

On a consolidated basis, Group sales for the third quarter decreased by 1% to RM444.0 million compared to the corresponding period in the last financial year (2007: RM447.1 million) while Loss before tax (LBT) is RM1.1 million (2007: Profit before tax (PBT) RM3.3 million). The lower turnover and PBT were due to a lower level of sales from the Industrial Chemicals division of Nylex coupled with the start-up costs of the new Media division in the Group.

**B2. Material Change in the Results for the Current Quarter as Compared with the Immediate Preceding Quarter**

Compared to the immediate preceding quarter, the Group achieved a 20% lower turnover at RM444.0 million (second quarter: RM557.0 million) and a LBT of RM1.1 million (second quarter: PBT of RM25.0 million). This was due to lower sales and profit contributions from the Industrial Chemical division, which had experienced an exceptional second quarter, and start-up costs of the new Media division.

**B3. Prospects**

The core investments of the Group in the Agricultural Chemicals, Industrial Chemicals, and Logistics segments will continue to lead the performance for the Group for the rest of the year. The new Media division has been established and is expected to contribute to profitable growth for the Group from the start of the next financial year.

Barring unforeseen circumstances, the Group's performance for the current financial year is expected to be satisfactory.

**B4. Variance from Profit Forecasts and Profit Guarantees**

Not applicable as the Company did not provide any profit forecast and profit guarantee in respect of the current financial year.

**B5. Taxation**

	Current Qtr ended 29 Feb 08 RM'000	Previous Qtr ended 28 Feb 07 RM'000	Cumulative Qtr ended 29 Feb 08 RM'000	Cumulative Qtr ended 28 Feb 07 RM'000
<b><u>Continuing Operations</u></b>				
Current taxation				
- Malaysian	3,101	(3,829)	13,602	9,394
- Foreign	469	727	1,389	1,113
- over provision in prior years	236	69	236	(1,089)
	3,806	(3,033)	15,227	9,418
Transfer to/(from) deferred taxation	-	408	(885)	(315)
	3,806	(2,625)	14,342	9,103

**B5. Taxation (continue)**

	Current Qtr ended 29 Feb 08 RM'000	Previous Qtr ended 28 Feb 07 RM'000	Cumulative Qtr ended 29 Feb 08 RM'000	Cumulative Qtr ended 28 Feb 07 RM'000
<b><u>Discontinued Operations</u></b>				
Current taxation				
- Malaysian	2,211	32	2,706	4,035
- Foreign	108	(179)	253	-
- over provision in prior years	-	297	-	(49)
	2,319	150	2,959	3,986
Transfer to/(from) deferred taxation	-	(187)	-	(230)
	2,319	(37)	2,959	3,756
	6,125	(2,662)	17,301	12,859

The effective rate of tax charge for the current quarter and financial year-to-date is higher than the statutory tax rate due to tax losses in certain subsidiary companies which could not be set off against the taxable profits of other subsidiary companies.

**B6. Sale of Unquoted Investments and/or Properties**

Other than disclosed in A11 (1) (vi) & (viii) above, there were no sales of unquoted investments in the third quarter and financial year-to-date.

In November 2007, Ancom Energy & Services Sdn Bhd, a 50.2% owned subsidiary, entered into a conditional sale and purchase agreement for the disposal of its property known as Lot No 153, Section 5, Phase 2B, Pulau Indah Industrial Park, West Port, measuring 0.5 acres together with a 2-storey office building for cash consideration of RM1.5 million ("Sale"), resulting in a gain on disposal of RM0.3million on completion of the Sale.

As at the date of this Report, the Sale has not been completed.

In January 2008, Synergy Concept Sdn Bhd, a 77.6% owned subsidiary, entered into a Memorandum of Agreement to dispose off its motor tanker, MT Rahah, for cash consideration of USD3.45 million (equivalent to RM11.6 million based on the exchange rate of USD1 : RM3.36) and resulting in a gain on disposal of RM3.0 million to the Group.

This disposal has been completed as at the date of this Report.

**B7. Quoted Investments**

There were no purchases and disposals of marketable securities (other than quoted shares in subsidiary companies) during the third quarter and financial-year-to-date.

The details of the Group's investments in quoted securities (other than quoted shares in subsidiary companies) as at the end of the second quarter were as follows:

	As At 29 Feb 08 RM'000	As At 31 May 07 RM'000
At cost	<u>4,437</u>	<u>4,437</u>
At carrying value/book value	<u>4,026</u>	<u>4,218</u>
At market value	<u>2,339</u>	<u>2,726</u>

## B8. Status of Corporate Proposals

The status of corporate proposals announced but not completed as at the date of this Report are:

- i). On 21 November 2007, Nylex announced that it has appointed ECM Libra Investment Bank Berhad (formerly known as ECM Libra Avenue Securities Berhad) (“ECM Libra”) as its financial advisors to evaluate the merits of the expressions of interest it has received for its chemical business and to assess the feasibility and structure of listing its chemical business on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

On the same date, Ancom also announced that it has appointed ECM Libra as financial advisors to evaluate the merits of the expressions of interest it has received for its logistic business and to assess the feasibility and structure of listing its logistic business on the SGX-ST;

- ii). On 10 March 2008, the Company, together with Mr. Lim Hock Heng (“LHH”), and Nylex announced that it had entered into a legally non-binding term sheet (“Term Sheet”) with Brenntag Holding GmbH (“Brenntag”) pursuant to which Brenntag proposes to acquire 30% equity interest in Synergy Trans-Link Sdn Bhd (“STL”) from Ancom and LHH for a cash offer of RM23.0 million and 30% equity interest in Perusahaan Kimia Gemilang Sdn Bhd (“PKG”) and CKG Chemicals Pte Ltd (“CKG”) from Nylex for cash offers of RM64.1 million and USD9.6 million (or an equivalent of about RM30.7 million) respectively or alternatively business and related assets of the foregoing three companies (“Proposal”). In addition, Brenntag also proposes that it be given an option to acquire the remaining 70% equity interest of STL, PKG and CKG after the completion of the initial 30% and such option may be exercised no later than 31 December 2009 (“Option”). The price for the remaining 70% stakes shall be determined at a later stage, but such price is subject to a minimum of RM83.0 million for STL, RM240.4 million for PKG and USD34.4 million (or an equivalent of about RM110.1 million) for CKG.

Pursuant to the Term Sheet, Ancom, Nylex, LHH and Brenntag have agreed to an exclusive period of 90 days up to 8 June 2008 (“Exclusivity Period”) to negotiate and sign a definitive agreement and undertake due diligence. During this period, Ancom, Nylex and LHH have agreed to customary no-shop and no-talk arrangements. In the event the Exclusivity Period expires but the above process is moving forward to the reasonable satisfaction of all parties, the parties will grant a 30-day extension of the Exclusivity Period.

Except for the Exclusivity Period, the Term Sheet is not binding on the parties. There can be no assurance that any transaction will result, or as to the final terms of any offer, including price.

As at the date of this Report, the definitive agreement has not been finalised.

- iii). On 5 March 2008, the Company announced that it has entered into a conditional sale and purchase agreement (“SPA”) to purchase the remaining 43,239,022 ordinary shares of RM1 each representing 40.3% equity interest it does not own in RDSB to be satisfied as follows:
  - the transfer of 34,930,700 ordinary shares of RM0.50 each in Tamco and 11,105,868 ordinary shares of RM1 each in Nylex by the Group at the first completion date; and
  - the transfer of 12,054,253 ordinary shares of RM0.50 each in Tamco and the payment and the payment of the differential sum (as defined in the SPA) on or before 30 days after the first completion date mentioned above.

As at the date of this Report, the SPA is still pending the approval of the relevant authorities.

#### **B8. Status of Corporate Proposals (continue)**

- (iv). On 28 April 2008, Tamco announced that it is proposing to undertake a capital repayment involving a cash distribution of RM0.30 for every one (1) existing ordinary share of RM0.50 each in Tamco ("Tamco Share") held to entitled shareholders at a date to be determined later ("Proposed Capital Repayment") and thereafter by cancelling the par value of each Tamco Share by RM0.30 in accordance with Section 64 of the Companies Act, 1965.

The amount of cash to be distributed to entitled shareholders under the Proposed Capital Repayment is approximately RM77.846 million based on the number of issued and paid-up share capital of Tamco as at 24 April 2008 of 259,487,720 Tamco Shares.

Upon the completion of the Proposed Capital Repayment, the par value of the Tamco Shares will be reduced from RM0.50 to RM0.20 each and the share capital of Tamco will be reduced by approximately RM77.846 million.

The Proposed Capital Repayment will be funded entirely by the net proceeds received from the disposal of the Switchgear Business, which was completed on 23 April 2008.

The Proposed Capital Repayment is subject to the approval of the relevant authorities and the High Court in Malaysia.

#### **B9. Off Balance Sheet Financial Instruments**

The Group did not issue any financial instruments with off balance sheet risk during the third quarter and financial year-to-date.

#### **B10. Changes in Pending Material Litigation**

There were no material litigation pending as at the date of this Report.

#### **B11. Dividend**

The Directors do not recommend payment of any dividend for the third quarter and financial year-to-date. There was no dividend declared or recommended in the previous corresponding quarter.

## B12. Group's Borrowings

	Continuing Operations RM'000	Discontinued Operations RM'000	As At 29 Feb 08 Total RM'000	As At 31 May 07 Total RM'000
<b>Short Term Borrowings</b>				
- Secured				
Ringgit Malaysia	96,357	-	96,357	15,849
Singapore Dollars	819	-	819	2,971
United States Dollars	47,115	-	47,115	36,752
	<u>144,291</u>	<u>-</u>	<u>144,291</u>	<u>55,572</u>
- Unsecured				
Ringgit Malaysia	136,752	52,667	189,419	189,544
United States Dollars	6,561	7,968	14,529	13,184
Indonesia Rupiah	2	-	2	10
Chinese Renminbi	-	4,733	4,733	-
Australian Dollars	-	4,721	4,721	4,468
Singapore Dollars	74	-	74	6,221
Hongkong Dollar	5,851	-	5,851	12,301
	<u>149,240</u>	<u>70,089</u>	<u>219,329</u>	<u>225,728</u>
<b>Long Term Borrowings</b>				
- Secured				
Ringgit Malaysia	77,278	-	77,278	119,139
Singapore Dollars	3,295	-	3,295	2,820
	<u>80,573</u>	<u>-</u>	<u>80,573</u>	<u>121,959</u>
- Unsecured				
Ringgit Malaysia	19,919	-	19,919	20,584
Singapore Dollars	-	-	-	310
	<u>19,919</u>	<u>-</u>	<u>19,919</u>	<u>20,894</u>
Total Borrowings	<u>394,023</u>	<u>70,089</u>	<u>464,112</u>	<u>424,153</u>

## B13. (Loss)/Earnings Per Share

### Basic (loss)/earnings per share

For the third quarter, the calculation of basic loss per share of 3.21 sen (2007: 0.36 sen) for the continuing operations was based on the Net Loss Attributable to the Shareholders of RM6,196,000 (2007: RM680,000) and the basic earnings per share of 2.11 sen (2007: 0.93 sen) for the discontinued operations was based on the Net Profit Attributable to the Shareholders of RM4,069,000 (2007: RM1,761,000), divided by the weighted average number of ordinary shares in issue during the third quarter of 192,972,000 shares (2007: 188,644,000 shares).

For the financial year-to-date, the calculation of basic earnings per share of 0.02 sen (2007: 8.44 sen) for the continuing operations was based on the Net Profit Attributable to the Shareholders of RM46,000 (2007: RM16,179,000) and the basic earnings per share of 4.82 sen (2007: 1.21 sen) for the discontinued operations was based on the Net Profit Attributable to the Shareholders of RM9,424,000 (2007: RM2,329,000), divided by the weighted average number of ordinary shares in issue during the third quarter of 195,591,000 shares (2007: 191,812,000 shares).

**B13. (Loss)/Earnings Per Share (continue)**

**Fully diluted earnings per share**

There is no dilution in the earnings per share of the Company as the market price of the Company's ordinary shares as at Balance Sheet date is lower than the market price together with the exercise price of the Warrants. Accordingly, there is no assumed full conversion of the Warrants to merit for adjustment for an increase in the number of ordinary shares which could result in a dilution of the earnings per share.

By Order of the Board

Wong Wei Fong  
Choo Se Eng  
Secretaries

Petaling Jaya  
29 April 2008