ANCOM BERHAD

(Company No. 8440-M)
Incorporated in Malaysia

A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MAY 2008

A1. Basis of preparation

This Interim Financial Report ("Report") is unaudited and has been prepared in accordance with Financial Reporting Standards ("FRS") 134_{2004} - 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
At 31 May 2007			
Property, plant and equipment	280,018	(50,483)	229,535
Prepaid lease payments for land	-	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 fourth 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 fourth quarter and financial year-to-date.

A6. Changes in Debts and Equity Securities

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

i). purchased 408,700 ordinary shares of RM1 each in the Company ("Shares") pursuant to Section 67A of the Companies Act, 1965, details of which are as follows :

Date	No. of Treasury Shares Purchased	Highest Price (RM)	Lowest Price (RM)	Average Price (RM)	Total Cost (RM'000)
May 2008	408,700	1.070	1.030	1.047	430

ii). disposed 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	1.044	476
Aug 2007	104,000	1.060	1.050	1.052	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 #: Inclusive of brokerage and other fees.

A6. Changes in Debts and Equity Securities (continue)

iii). received applications from the holders of 3-Year Warrants 2005/2008 in the Company ("Warrants") to convert 481,371 Warrants into 481,371 new Shares at a conversion price of RM1 each.

As at 31 May 2008, the issued and paid up share capital of the Company is RM202,338,138 comprising of 202,338,138 Shares. As at the same date, a total of 1,809,227 Treasury Shares are held by the Company at a total cost of RM1.41 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.

Subsequent to the financial year-to-date, the Company received applications to convert 16,618,204 Warrants into 16,618,204 new Shares at a conversion price of RM1 each.

On 21 June 2008, a total of 80,672,408 Warrants remained unconverted and expired.

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

12-Month Ended 31 May 2008 Revenue	Investment Holdings RM'000	Agricultural Chemicals RM'000	Industrial Chemicals RM'000	Oil & Gas Engineering Services RM'000	Logistic RM'000	Information Technology RM'000	Media RM'000	Polymer RM'000	Engineering RM'000	Building Products RM'000	Eliminate RM'000	Continuing Operations RM'000	Discontinued Operations* RM'000	Consolidate RM'000
External sales	137	130,416	1,618,762	3,428	49,588	24,392	17,237	133,742	63,687	8,753		2,050,142	347,252	2,397,394
Inter-segment Sales	149,186	25,077	1,019		3,862	2,336		19			(181,499)			
Total	149,323	155,493	1,619,781	3,428	53,450	26,728	17,237	133,761	63,687	8,753	(181,499)	2,050,142	347,252	2,397,394
Results														
Segment results	(16,677)	8,542	67,386	(4,071)	10,210	339	(8,203)	5,902	(8,912)	355		54,871	153,555	208,426
Unallocated corporate expenses **												(6,245)	-	(6,245)
Operating profits												48,626	153,555	202,181
Finance cost												(17,995)	(6,472)	(24,467)
Share of results of Associates												(619)	-	(619)
Profit before tax												30,012	147,083	177,795
Tax expense												(11,773)	(1,036)	(12,809)
Profit for the period												18,239	146,047	164,986

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

A8. Segmental Results (continue)

Year Ended 31 May 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
Revenue	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
External sales	196	78,045	1,390,992	4,668	52,915	9,058	-	123,015	84,771	9,365		1,753,025	345,101	2,098,126
Inter-segment Sales	23,881	12,898	1,501	-	3,993	2,215	-	-	-	-	(44,488)	-	-	-
Total	24,077	90,943	1,392,493	4,668	56,908	11,273	-	123,015	84,771	9,365	(44,488)	1,753,025	345,101	2,098,126
Results														
Segment results	(6,303)	2,460	45,107	(898)	7,859	(2,356)	-	6,987	(908)	538		52,486	28,559	81,045
Unallocated corporate expenses												3,266	-	3,266
Operating profits												55,752	28,559	84,311
Finance cost												(16,655)	(6,850)	(23,505)
Share of results of Associates												1,192	-	1,192
Profit before tax												40,289	21,709	61,998
Tax expense												(5,272)	(2,654)	(7,926)
Profit for the period												35,017	19,055	54,072

* Note: please refer to Note A11(ix) 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 B8 below, there were no significant events subsequent to the fourth quarter.

A11. Effects of Changes in Composition of the Group

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 (“Meru”), an associate of the Company.

Following the completion of the acquisition, RCSB became a 100% owned subsidiary of Ancom, and Meru 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 (“Wheel Sport”) at par for cash.

Wheel Sport 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 ("Focus Media") at par for cash, and the acquisition of the remaining 30% equity interest in Focus Media for RM1.6 million cash, resulting in Focus Media becoming a wholly owned subsidiary of the Group.

Focus Media 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,

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);

ix). completed the disposal of its switchgear business comprising the 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") for a total consideration of RM378.0 million ("Disposals").

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.

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

(ix) 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 12 months ended**	
	31.05.2008 RM'000	**31.05.2007 RM'000**	**31.05.2008 RM'000**	**31.05.2007 RM'000**
Revenue	64,946	95,886	347,252	345,101
Profit before taxation from discontinued operations	120,829	6,400	147,083	21,709
Taxation	1,923	1,102	(1,036)	(2,654)
Net profit from discontinued operations	122,752	7,502	146,047	19,055

Tamco has effectively ceased its major operations after the 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;

x). completed the acquisition of 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 during the financial year; and

- the transfer of 12,054,253 ordinary shares of RM0.50 each in Tamco and the payment of RM3,081,236 being the differential sum (as defined in the SPA) after the financial year end;

xi). completed the acquisition of the media assets of Sixth Media Sdn Bhd for purchase consideration of RM1,493,800 satisfied by a cash payment of RM770,000 and the issue of 723,800 new ordinary shares of RM1 each representing 16.14% equity interest in Focus Media, reducing the Group's interest in Focus Media from 100% to 83.86%;

xii). disposed off 80,550 and 107,400 ordinary shares representing 30% and 40% respectively of the equity interest in Wandeerfull Industries Sdn Bhd ("WISB") to 2 third parties respectively for cash consideration of RM1.00 each, thereby reducing its shareholding in WISB from 100% to 30%;

xiii). acquired the entire issued and paid-up share capital of Landasan Murni Sdn Bhd, a dormant company consists of 2 ordinary shares of RM1 each for cash consideration f RM2;

xiv). set up a joint venture company, Perusahaan Kimia Gemilang (Vietnam) Ltd ("PKG Vietnam"), in the Socialist Republic of Vietnam, for the purpose of building tank farms and other facilities for the storage, importation and distribution of industrial chemicals. The Group's contribution to the capital of PKG Vietnam is US$102,000 which represents 51% participating interest in PKG Vietnam; and xv). entered into a joint venture contract with PT Lautan Luas Tbk to set up a joint venture company, PT PKG Lautan Indonesia ("PKG Indonesia"), in the Republic of Indonesia, for the purpose of importation and distribution of industrial chemicals.

The Group's investment in PKG Indonesia is USD1,275,000 for the subscription of 1,275,000 ordinary shares, representing 51% of the equity in PKG Indonesia.

PKG Indonesia was incorporated on 24 July 2008.

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 31 May 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)
Letter of Credit	289	2,038	(1,749)
Total	5,389	10,722	(5,333)

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's sales for the fourth quarter decreased by 4% to RM538.5 million compared to the corresponding period in the last financial year (2007: RM563.3 million) while Loss before tax (LBT) was RM2.1 million (2007: Profit before tax (PBT) RM3.9 million). The lower turnover was largely due to a 9% decrease in sales of the Industrial Chemicals division of Nylex. The LBT was mainly due to increased LBT from Tamco's continuing operations and the Investment Holding division and start-up losses from the Media division.

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 reported a 21% higher turnover at RM538.5 million (third quarter: RM444.0 million) and a LBT of RM2.1 million (third quarter: LBT of RM1.1 million). The higher turnover was mainly attributable to higher turnover contribution from Industrial Chemical division of Nylex whereas the increase in LBT was mainly due to higher corporate expenses and allowance for doubtful debt.

B3. Prospects

The performance of the Group for the financial year ending 31 May 2009 will continue to be led by the Agricultural and Industrial Chemicals divisions. The Media division is actively expanding and is expected to contribute to profits for the Group in the near future.

Barring unforeseen circumstances, the Group's performance for the next 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

Continuing Operations	Current Qtr ended 31 May 08 RM'000	Previous Qtr ended 31 May 07 RM'000	Cumulative Qtr ended 31 May 08 RM'000	Cumulative Qtr ended 31 May 07 RM'000
Current taxation				
- Malaysian	(2,090)	(775)	11,512	7,228
- Foreign	1,040	(480)	2,429	1,864
- over provision in prior years	(415)	(1,351)	(179)	(1,494)
	(1,465)	(2,606)	13,762	7,598
Transfer to/(from) deferred taxation	(1,104)	(1,237)	(1,989)	(2,326)
	(2,569)	(3,843)	11,773	5,272

B5. Taxation (continue)

Discontinued Operations	Current Qtr ended 31 May 08 RM'000	Previous Qtr ended 31 May 07 RM'000	Cumulative Qtr ended 31 May 08 RM'000	Cumulative Qtr ended 31 May 07 RM'000
Current taxation				
- Malaysian	(199)	(545)	2,507	3,490
- Foreign	(253)	372	-	372
- over provision in prior years	(1,456)	3	(1,456)	(46)
Transfer to/(from) deferred taxation	(15)	(932)	(15)	(1,162)
	(1,923)	(1,102)	1,036	2,654

The effective rate of tax charge is higher than the statutory tax rate due to non deductible expenses and 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 above, there were no sales of unquoted investments in the fourth quarter and financial year-to-date.

During the financial year:

i). Ancom Energy & Services Sdn Bhd, a 50.2% owned subsidiary, completed 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 RM0.3 million on completion of the Sale.; and

ii). Synergy Concept Sdn Bhd, a 77.6% owned subsidiary, completed the sale of 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), resulting in a gain on disposal of RM3.0 million to the Group.

B7. Quoted Investments

There were no purchases and disposals of marketable securities (other than quoted shares in subsidiary companies) during the fourth 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 fourth quarter were as follows:

	As At 31 May 08 RM'000	As At 31 May 07 RM'000
At cost	4,437	7,107
At carrying value/book value	4,025	6,696
At market value	2,339	4,238

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 (collectively "Parties") 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, the Parties 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, the Parties 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.

The Exclusivity Period was subsequently extended to 31 July 2008.

Following the expiry of the Exclusivity Period on 31 July 2008, whereby no definitive agreement has been finalised and agreed, Ancom has announced that the Parties have decided not to extend the Exclusivity Period.

From 1 August 2008, while the Parties may continue to discuss with Brenntag, it will be on a non-exclusive basis and the Parties will be free to enter into discussions with other parties;

iii). 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 current number of issued and paid-up share capital of Tamco of 259,487,720 Tamco Shares.

B8. Status of Corporate Proposals (continue)

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 Securities Commission and the shareholders of Tamco have approved the Proposed Capital Repayment. The Proposed Capital Repayment is now subject to the approval of 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 fourth 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 are proposing a non tax-exempt interim cash dividend of 5 sen (less 26% income tax) (2007: 5 sen less 27% income tax) per Share to the Company's shareholders whose names will appear in the Record of Depositors as at 15 August 2008. This interim cash dividend will be paid on 29 August 2008.

The Directors will determine and announce at a later date the amount of final dividend to be recommended to the shareholders for approval at the forthcoming annual general meeting of the Company.

Pending the recommendation and payment of the final dividend to be announced at a later date, the total dividend declared and payable for the current financial year is 5 sen per Share, less 26% income tax (2007 : 5 sen per Share less 27% income tax).

B12. Group's Borrowings

	As At 31 May 08 Total RM'000	As At 31 May 07 Total RM'000
Short Term Borrowings		
- Secured		
Ringgit Malaysia	142,769	15,849
Singapore Dollars	542	2,971
United States Dollar	51,727	36,752
	195,038	55,572
- Unsecured		
Ringgit Malaysia	141,535	189,544
United States Dollars	6,232	13,184
Indonesia Rupiah	-	10
Australian Dollars	-	4,468
Singapore Dollars	76	6,221
Hongkong Dollar	5,545	12,301
	153,388	225,728
Long Term Borrowings		
- Secured		
Ringgit Malaysia	47,006	119,139
Singapore Dollars	1,941	2,820
	48,947	121,959
- Unsecured		
Ringgit Malaysia	19,922	20,584
Singapore Dollars	-	310
	19,922	20,894
Total Borrowings	417,295	424,153

B13. (Loss)/Earnings Per Share

Basic (loss)/earnings per share

For the fourth quarter, the calculation of basic loss per share of (2.87) sen (2007: earning of 2.53 sen) for the continuing operations was based on the Net Loss Attributable to the Shareholders ("Net Loss") of RM5,634,000 (2007: Net Profit Attributable to Shareholders ("Net Profit") of RM4,780,000) and the basic earnings per share of 25.19 sen (2007: earnings of 1.46 sen) for the discontinued operations was calculated based on the Net Profit of RM49,518,000 (2007: Net Profit of RM2,761,000), divided by the weighted average number of Shares in issue during the fourth quarter of 196,555,000 Shares (2007: 188,859,000 Shares).

For the financial year-to-date, the calculation of basic loss per share of (2.79) sen (2007: earnings of 10.38 sen) for the continuing operations was based on the Net Loss of RM5,560,000 (2007: Net Profit of RM20,028,000) and the basic earnings per share of 29.53 sen (2007: earnings of 3.12 sen) for the discontinued operations was calculated based on the Net Profit of RM58,915,000 (2007: Net Profit of RM6,021,000), divided by the weighted average number of Shares in issue for the financial year ended 31 May 2008 of 199,496,000 Shares (2007: 192,972,000 Shares).

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

Fully diluted (loss)/earnings per share

The diluted (loss)/earnings per share for the current quarter and financial year were arrived after adjusting the effect of the conversion of 1,871,000 Warrants subsequent to the fourth quarter.

Diluted earnings per share of the Company was not computed in the previous financial year as the market price of the Shares as at that date was lower than the market price together with the exercise price of the Warrants. Accordingly, there was no assumed full conversion of the Warrants to merit for adjustment for an increase in the number of 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
31 July 2008