

COMPUGATES HOLDINGS BERHAD
(Company No. 669287 - H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2007

The actual results of Compugates Holdings Berhad for the period ended 30 June 2007 are as follows:-

	NOTE	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER ENDED 30 JUNE 2007	CORRESPONDING QUARTER ENDED 30 JUNE 2006	CURRENT YEAR TO DATE 30 JUNE 2007	CORRESPONDING PERIOD ENDED 30 JUNE 2006
		RM'000 (Unaudited)	RM'000 (Unaudited)	RM'000 (Unaudited)	RM'000 (Unaudited)
REVENUE		138,910	129,274	322,696	240,949
COST OF SALES		(137,055)	(130,808)	(317,047)	(241,891)
GROSS PROFIT/(LOSS)		1,855	(1,534)	5,649	(942)
OTHER INCOME		2,239	5,611	4,463	8,133
SALES AND MARKETING EXPENSES		(305)	(408)	(576)	(749)
ADMINISTRATIVE EXPENSES		(2,079)	(2,401)	(5,612)	(4,417)
OTHER EXPENSES		(183)	(116)	(359)	(251)
FINANCE COSTS		(8)	(14)	(11)	(24)
PROFIT BEFORE TAXATION		1,519	1,138	3,554	1,750
INCOME TAX EXPENSE	20	(441)	(498)	(995)	(677)
PROFIT AFTER TAXATION		1,078	640	2,559	1,073
ATTRIBUTABLE TO:					
Equity holders of the parent		741	640	1,923	1,073
Minority interests		337	-	636	-
PROFIT AFTER TAXATION		1,078	640	2,559	1,073
EARNINGS PER SHARE (SEN)					
- Basic	29	0.35	0.53	0.90	0.89
- Diluted	29	N/A	0.30	N/A	0.50

The unaudited Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD
(Company No. 669287 - H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 30 JUNE 2007

	<u>Note</u>	AS AT END OF CURRENT YEAR QUARTER ENDED 30 JUNE 2007 RM'000 (Unaudited)	AS AT PRECEDING FINANCIAL YEAR ENDED 31 DEC 2006 RM'000 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment		9,271	9,262
Goodwill on consolidation		115,684	115,684
Listing premium		26,429	26,429
		<u>151,384</u>	<u>151,375</u>
CURRENT ASSETS			
Inventories		22,165	12,253
Receivables		42,979	38,176
Tax refundable		4,151	3,689
Cash and cash equivalents		23,818	25,972
		<u>93,113</u>	<u>80,090</u>
TOTAL ASSETS		<u>244,497</u>	<u>231,465</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		213,429	213,429
Exchange fluctuation reserve		(14)	6
Retained profits		2,152	229
		<u>215,567</u>	<u>213,664</u>
Minority interests		715	77
TOTAL EQUITY		<u>216,282</u>	<u>213,741</u>
NON-CURRENT AND DEFERRED LIABILITIES			
Long term borrowing	25	210	231
Deferred taxation		428	428
		<u>638</u>	<u>659</u>
CURRENT LIABILITIES			
Payables		27,486	16,941
Short-term borrowing	25	64	86
Provision for taxation		27	38
		<u>27,577</u>	<u>17,065</u>
TOTAL LIABILITIES		<u>28,215</u>	<u>17,724</u>
TOTAL EQUITY AND LIABILITIES		<u>244,497</u>	<u>231,465</u>
Net Assets per share (sen)		101.00	100.11

The unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 JUNE 2007

	← Attributable to Equity Holders of the Parent →							
	Share Capital RM'000	Irredeemable Convertible Preference Shares ("ICPS") RM'000	Share Premium RM'000	Exchange Fluctuation Reserve RM'000	(Accumulated Loss)/ Retained Profit RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
Balance as at 1 January 2006	120,429	9,300	83,700	3	(642)	212,790	-	212,790
Foreign currency translation, representing net expense recognised directly in equity	-	-	-	10	-	10	-	10
Profit after taxation for the financial period	-	-	-	-	1,073	1,073	-	1,073
Total recognised income and expense for the financial period	-	-	-	10	1,073	1,083	-	1,083
Balance as at 30 June 2006	<u>120,429</u>	<u>9,300</u>	<u>83,700</u>	<u>13</u>	<u>431</u>	<u>213,873</u>	<u>-</u>	<u>213,873</u>
Balance as at 1 January 2007	213,429	-	-	6	229	213,664	77	213,741
Foreign currency translation, representing net expense recognised directly in equity	-	-	-	(20)	-	(20)	-	(20)
Profit after taxation for the financial period	-	-	-	-	1,923	1,923	636	2,559
Total recognised income and expense for the financial period	-	-	-	(20)	1,923	1,903	636	2,539
Subscription of shares in a subsidiary	-	-	-	-	-	-	2	2
Balance as at 30 June 2007	<u>213,429</u>	<u>-</u>	<u>-</u>	<u>(14)</u>	<u>2,152</u>	<u>215,567</u>	<u>715</u>	<u>216,282</u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD
(Company No. 669287 - H)
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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2007

	CURRENT YEAR TO DATE 30 JUNE 2007 RM'000 (Unaudited)	CORRESPONDING PERIOD ENDED 30 JUNE 2006 RM'000 (Unaudited)
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit before taxation	3,554	1,750
Adjustments for:-		
Non-cash items	342	248
Interest expense	5	6
Interest income	(206)	(94)
Operating profit before working capital changes	3,695	1,910
Increase in inventories	(9,912)	(3,420)
Increase in receivables	(4,834)	(3,924)
Increase in payables	10,545	704
Cash for operations	(506)	(4,730)
Interest paid	(5)	(6)
Income tax paid	(1,468)	(3,452)
NET CASH FOR OPERATING ACTIVITIES	(1,979)	(8,188)
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	206	94
Proceed from disposal of equipment	-	3
Purchase of property and equipment	(320)	(936)
NET CASH FOR INVESTING ACTIVITIES	(114)	(839)
CASH FLOWS FOR FINANCING ACTIVITIES		
Proceeds from issuance of shares to minority interests	2	-
Decrease in bankers' acceptances	-	(11,629)
Repayment of hire purchase obligations	(43)	(48)
NET CASH FOR FINANCING ACTIVITIES	(41)	(11,677)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,134)	(20,704)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(20)	10
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	25,972	37,365
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	23,818	16,671
NOTES TO CASH FLOW STATEMENTS		
Cash and cash equivalents comprise:		
Fixed deposits with licensed bank	17,864	7,459
Short term deposits with a licensed bank	950	6,000
Cash and bank balances	5,004	3,212
	23,818	16,671

The unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.