

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2008**

The results of Khee San Berhad for the period ended 31 December 2008 are as follows:-

	<u>Note</u>	Individual Period		Cummulative Period	
		Current Year Quarter Ended 31.12.2008 RM'000 (Unaudited)	Preceding Year Corresponding Quarter Ended 31.12.2007 RM'000 (Unaudited)	Current Year-to- Date 31.12.2008 RM'000 (Unaudited)	Preceding Year Corresponding Period Ended 31.12.2007 RM'000 (Unaudited)
REVENUE	8	14,453	15,183	31,035	29,164
COST OF SALES		(11,980)	(13,358)	(26,296)	(26,555)
GROSS PROFIT		2,473	1,825	4,739	2,609
OTHER OPERATING INCOME		216	85	580	416
OPERATING EXPENSES		(1,779)	(1,371)	(3,852)	(3,381)
FINANCE COSTS		(361)	(142)	(573)	(256)
PROFIT/(LOSS) BEFORE TAXATION		549	397	894	(612)
TAXATION	17	41	(360)	3	(260)
PROFIT AFTER TAXATION BEFORE EXCEPTIONAL ITEM		590	37	897	(872)
EXCEPTIONAL ITEM - GAIN ON DISPOSAL OF SUBSIDIARIES		-	2,379	-	2,379
PROFIT/(LOSS) AFTER TAXATION		590	2,416	897	1,507
ATTRIBUTABLE TO:					
Equity holders of the parent		590	2,416	897	1,507
Minority interests		-	-	-	-
PROFIT AFTER TAXATION		590	2,416	897	1,507
EARNINGS PER SHARE (SEN)					
- Basic	25	0.98	4.03	1.50	2.51
- Diluted		N/A	N/A	N/A	N/A

**(The unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2008 and the accompanying explanatory attached to the interim financial statements)**

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS  
AS AT 31 DECEMBER 2008**

	<u>Note</u>	As at end of current year quarter ended 31.12.2008 RM'000 (Unaudited)	As at preceding financial year ended 30.06.2008 RM'000 (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		51,633	40,737
Investment property		3,410	3,410
Intangible assets		1,600	1,600
Deferred Tax Asset		-	21
		56,643	45,768
<b>CURRENT ASSETS</b>			
Asset held for sale		-	42
Inventories		11,512	10,777
Trade and other receivables		12,175	20,812
Amount due from holding company		10,200	-
Fixed deposits, cash and bank balances		3,448	3,307
		37,335	34,938
<b>TOTAL ASSETS</b>		93,978	80,706
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share Capital		60,000	60,000
Merger Reserve		(17,444)	(17,444)
Retained Profit		14,253	13,356
<b>TOTAL EQUITY</b>		56,809	55,912
<b>NON-CURRENT AND DEFERRED LIABILITIES</b>			
Deferred Taxation		1,660	1,632
Long-term borrowings	21	7,140	-
		8,800	1,632
<b>CURRENT LIABILITIES</b>			
Trade and other payables		10,093	12,031
Short-term borrowings	21	18,276	11,131
		28,369	23,162
<b>TOTAL LIABILITIES</b>		37,169	24,794
<b>TOTAL EQUITY AND LIABILITIES</b>		93,978	80,706
Net Assets per share (sen)		94.68	93.19

(The unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2008**

	<b>Current Year to Date 31.12.2008 RM'000 (Unaudited)</b>	<b>Corresponding Period Ended 31.12.2007 RM'000 (Unaudited)</b>
<b>CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	894	(612)
Adjustments for:-		
Non-cash items	1,726	1,111
Operating profits before working capital changes	<u>2,620</u>	<u>499</u>
Net change in current assets	(2,068)	(3,078)
Net change in current liabilities	(1,938)	1,298
Cash generated from operations	<u>(1,386)</u>	<u>(1,281)</u>
Other operating activities	(710)	(235)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>(2,096)</u>	<u>(1,516)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	(2,705)	(955)
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	3,012	(3,803)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(1,789)</u>	<u>(6,274)</u>
<b>EFFECTS OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	-	54
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	(824)	8,924
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<u>(2,613)</u>	<u>2,704</u>
<b>NOTES TO CASH FLOW STATEMENTS</b>		
<b>Cash and cash equivalents comprise:-</b>		
Fixed deposits, cash and bank balances	3,448	3,368
Bank overdrafts	<u>(6,061)</u>	<u>(664)</u>
	<u>(2,613)</u>	<u>2,704</u>

*Property, plant and equipment at aggregate cost of RM12,124,000 (2007-Nil) was acquired during the financial period of which RM9,342,000 (2007-Nil) was acquired by means of hire-purchase.*

**(The unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements)**



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE SECOND QUARTER ENDED 31 DECEMBER 2008**

	Attributable to equity holders of the parent					Total RM'000
	Share Capital RM'000	Non - Distributable Merger Reserve RM'000	Exchange Fluctuation Reserve RM'000	Distributable Retained Profit RM'000	Minority Interest RM'000	
<b>Balance at 1 July 2008</b>	60,000	(17,444)	-	13,356	-	55,912
Profit after taxation for the financial period	-	-	-	897	-	897
<b>Balance at 31 December 2008</b>	<b>60,000</b>	<b>(17,444)</b>	<b>-</b>	<b>14,253</b>	<b>-</b>	<b>56,809</b>
<b>Balance at 1 July 2007</b>	60,000	(17,444)	2,356	11,735	-	56,647
Profit after taxation for the financial period	-	-	-	1,507	-	1,507
Exchange differences on translation of the financial statements of foreign subsidiaries	-	-	54	-	-	54
Exchange fluctuation reserve realised upon disposal of subsidiary	-	-	(2,410)	-	-	(2,410)
<b>Balance at 31 December 2007</b>	<b>60,000</b>	<b>(17,444)</b>	<b>-</b>	<b>13,242</b>	<b>-</b>	<b>55,798</b>

**(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements)**