

GRAND HOOVER BHD (10493-P)

Additional Information Requested by the Bursa Malaysia Listing Requirements

B1. Review of performance

The Group's financial performance for the period ended 31 December 2007 has declined from a profit before tax of RM169,000 in the preceding year to loss before tax of RM180,000.

Due to competition of construction related products, the trading division has also recorded a lower revenue and profit compared to the preceding year.

The group has commenced its property development which will yield better return the next quarter together with its construction division.

B2. Variation of results against preceding quarter

For the quarter under review, the Group made a loss before tax of RM10,000 as compared to a profit before loss of RM170,000 in the immediate preceding quarter.

The loss was mainly due to a lower revenue generated by the group to cover its administrative expenses

B3. Current financial year prospects

The Group's business is mainly in the construction of residential properties and trading of building materials. Barring any unforeseen circumstances, the Group's result is expected to be challenging in the next financial year.

B4. Taxation

	RM'000
Current year taxation	270

	270
	=====

The provision of taxation was derived from profit made on trading segment.

B5. Status of corporate proposal announced

Status of corporate proposals announced but not completed as at 27th February 2008 are:

- a) Proposed Acquisition of A Parcel of Land From Perbadanan Kemajuan Negeri Kedah ("PKNK") For A Total Cash Consideration of RM20,000,000.00

As per the announcement made to the Bursa Malaysia Securities Bhd. on 17th July 2006, PKNK and the Company had by way of exchange of letters mutually agreed to vary certain terms and conditions of the Sale and Purchase Agreement dated 7th May 2003. The matter is now pending PKNK to transfer 100 acres of land in favour of the Company in consideration of the part payment paid by the Company.

B5. Status of corporate proposal announced (cont'd)b) Proposed Employees' Share Option Scheme ("ESOS") and Proposed Grant of ESOS to Certain Directors.

Due to depressed share price, the Proposed ESOS and Proposed Grant of ESOS to Certain Directors have yet to be implemented.

B6. Group borrowings and debt securities

All the borrowings of the Group are in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000
BANK OVERDRAFT		
Repayable within the next 12 months	3,329	-
BILLS PAYABLE	-	-
HIRE PURCHASE		
Repayable within the next 12 months	266	
Repayable after the next 12 months	257	
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Total:	3,852	-
	=====	=====

B7. Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk for the current financial period to date.

B8. Changes in material litigation

Material litigations as at 27th February 2008 are: -

a) L'Grande Development Sdn Bhd ("LGD") vs Puncak Alam Housing Sdn Bhd ("PAH") (formerly known as Bukit Cerakah Development Sdn Bhd)

I) Kuala Lumpur High Court Civil Suit No S3-22-240-2000 ("S3 Suite")

The Registrar informed the parties that the new judge will be arriving in March 2008. All parties has been directed to file the Statement of Agreed Facts and Principal Issues to be Tried into court on or before 21st April 2008. All parties also required to prepare their list of witnesses.

The next case management is fixed on 30 June 2008

B8. Changes in material litigation (cont'd)

II) Kuala Lumpur High Court Civil Suit No.(S1)S5-22-241-2000 ("S5 Suite')

The Court of Appeal had allowed PAH application for a stay of execution appeal pending the outcome of "S3 suite" with costs to be paid by LGD for both Court of Appeal stage and High Court Stage.

III) Federal Court of Malaysia Civil Application No. 08-167-2007(W)

LGD made an appeal to the Federal Court pertaining to the non-award pre-judgement interest. On the hearing date on 3 December 2007, the court did not grant any decision pending the grounds of judgement from Court of Appeal.

With the decision from Court of Appeal on "S5 suite", the management decided not to pursue further until the outcome of "S3 suite".

- b) L'Grande Development Sdn Bhd ("LGD") and Hoover Tiling Trading Sdn Bhd ("HTT")
vs
Perbadanan Perwira Harta Malaysia ("PPHM");
Mutiara Rini Sdn Bhd ("MR") and
Boustead Johan Edaran Sdn Bhd ("BJE")
(KL High Court Suit No: S4(S2)-22-444-02)

The trial of the case has been reschedule to 3 to 5 November 2008

- c) Boustead Johan Edaran Sdn Bhd ("BJE") vs
1) L'Grande Development Sdn Bhd ("LGD")
2) Grand Hoover Berhad

There were no material developments in this case since the last quarterly report.

- d) Sunway PMI – Pile Construction Sdn. Bhd. ("SPMI") vs
L' Grande Development Sdn. Bhd. ("LGD")

The case management has been postponed to 3 March 2008.

- e) L'Grande Development Sdn Bhd ("LGD") vs Perembajaya Engineering Sdn Bhd ("PESB")
i) Shah Alam High Court Suit No. MT1-22-208-2007
Both parties agreed to resolve the matters to Arbitration
ii) Shah Alam High Court Suit No. MT1-22-207-2007
Both parties agreed to resolve the matters to Arbitration

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B8. Changes in material litigation (cont'd)

- f) Separate Civil Suit by Grand Hoover Berhad ('GHB') against Konsep Karisma Sdn Bhd ('KKSBB')

KL High Court Originating Summons No. D4 – 24 – 138 – 2007 (the "Injunction Application") and KL High Court Suite No. S3 – 22-492-2007 (Counter claim petition)

On the hearing on 13 November 2007, the court has dismissed the originating summons and application for interlocutory injunction.

On 19 November 2007, GHB file Erinford Injunction to restrain KKSBB to file winding up pending the appeal to the Court of Appeal. The injunction was granted on 12 December 2007.

The case management for the S3 case has been fixed on 17 April 2008.

- g) L'Grande Construction Sdn Bhd ("LGC") vs Jabat Yakin Sdn Bhd ("JYSB")

Notice of Winding up has been served to JYSB on 21 July 2007. LGC is claiming security deposit of RM800,000 paid to JYSB in relation to the award of construction of Academy Badminton in Terengganu and Melaka.

Winding up petition has been filed to the High Court.

B9. Dividends

No interim dividend was declared during the period from 1st July 2007 to 31st December 2007 (30th June 2007: NIL).

B10. Earnings per share

Basic earnings per share

The calculation of basic earning per share for the quarter is based on the loss for the period of RM761,000 and the number of ordinary shares in issue during the quarter of 40,000,000.