

**EONMETALL GROUP BERHAD**  
**(Company No. 631617 D)**

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

	<b>Three Months Ended</b>		<b>Year Ended</b>	
	<b>31-Dec-07</b>	<b>31-Dec-06</b>	<b>31-Dec-07</b>	<b>31-Dec-06</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
		<b>(Restated)</b>		<b>(Restated)</b>
<b>Revenue</b>	<u>41,434</u>	<u>32,454</u>	<u>143,097</u>	<u>93,888</u>
Operating profit	(997)	7,041	11,506	19,354
Interest expense	(1,493)	(961)	(4,270)	(2,916)
Interest income	6	5	10	97
Share of profit of associated company	1,512	-	1,462	-
<b>(Loss) / Profit before tax</b>	<u>(972)</u>	<u>6,085</u>	<u>8,708</u>	<u>16,535</u>
Tax expense	1,324	(1,937)	3,520	(1,251)
<b>Profit after tax</b>	<u>352</u>	<u>4,148</u>	<u>12,228</u>	<u>15,284</u>
<b>Attributable to:</b>				
<b>Shareholders of the Company</b>	<u>352</u>	<u>4,148</u>	<u>12,228</u>	<u>15,284</u>
Basic earnings per share (sen)	<u>0.21</u>	<u>2.51</u>	<u>7.30</u>	<u>9.26</u>
Diluted earnings per share (sen)	<u>0.20</u>	<u>NA</u>	<u>7.20</u>	<u>NA</u>

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

**EONMETALL GROUP BERHAD**  
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**CONDENSED CONSOLIDATED BALANCE SHEET**  
**AT 31 DECEMBER 2007**

	At 31 December 2007 RM'000	At 31 December 2006 RM'000 (Restated)
<b>Assets</b>		
Property, plant and equipment	86,414	70,838
Prepaid lease payment	1,061	-
Investment in associated company	1,688	-
Other investment	-	57
Deferred tax assets	7,677	4,301
<b>Total non-current assets</b>	96,840	75,196
<b>Total current assets</b>		
Receivables, deposits and prepayments	35,992	31,108
Share application money	427	-
Inventories	53,236	37,498
Current tax assets	288	876
Cash and cash equivalents	7,393	7,284
	97,336	76,766
<b>Total assets</b>	<u>194,176</u>	<u>151,962</u>
<b>Equity</b>		
Share capital	85,373	55,000
Share premium	875	9,200
Share option reserve	1,376	1,020
Exchange fluctuation reserve	(56)	-
Retained profits	30,728	40,847
<b>Total equity</b>	<u>118,296</u>	<u>106,067</u>
<b>Liabilities</b>		
Loans and Borrowings	28,419	7,085
Deferred tax liabilities	6,033	6,696
	34,452	13,781
<b>Current liabilities</b>		
Trade and other payables	17,944	10,278
Loans and Borrowings	23,484	21,831
Taxation	-	5
	41,428	32,114
<b>Total liabilities</b>	<u>75,880</u>	<u>45,895</u>
<b>Total equity and liabilities</b>	<u>194,176</u>	<u>151,962</u>
Net assets per share (RM)	<u>0.71</u>	<u>0.64</u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

**EONMETALL GROUP BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	←	<i>Non-distributable</i>		→	<i>Distributable</i>	
	Share capital	Share premium	Share option reserve	Exchange fluctuation reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2006</b>	55,000	9,200	-	-	22,604	86,804
Effect of adopting FRS 2	-	-	347	-	(347)	-
Effect of adopting FRS 112	-	-	-	-	3,306	3,306
<b>At 1 January 2006 (restated)</b>	<u>55,000</u>	<u>9,200</u>	<u>347</u>	<u>-</u>	<u>25,563</u>	<u>90,110</u>
Profit for the year	-	-	-	-	15,284	15,284
Share-based payment	-	-	673	-	-	673
<b>At 31 December 2006(restated)</b>	<u>55,000</u>	<u>9,200</u>	<u>1,020</u>	<u>-</u>	<u>40,847</u>	<u>106,067</u>
<b>At 1 January 2007</b>	55,000	9,200	1,020	-	36,546	101,766
Effect of adopting FRS 112	-	-	-	-	4,301	4,301
<b>At 1 January 2007 (restated)</b>	<u>55,000</u>	<u>9,200</u>	<u>1,020</u>	<u>-</u>	<u>40,847</u>	<u>106,067</u>
Issue of shares pursuant to ESOS	2,773	1,075	-	-	-	3,848
Bonus issue (1 for 2)	27,600	(9,400)	-	-	(18,200)	-
Share-based payment	-	-	356	-	-	356
Dividend paid	-	-	-	-	(4,147)	(4,147)
Profit for the year	-	-	-	-	12,228	12,228
Exchange differences on translation of foreign entities	-	-	-	(56)	-	(56)
<b>At 31 December 2007</b>	<u>85,373</u>	<u>875</u>	<u>1,376</u>	<u>(56)</u>	<u>30,728</u>	<u>118,296</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

**EONMETALL GROUP BERHAD**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

	Year Ended	
	31-Dec-07 RM	31-Dec-06 RM
<b>Cash flows from operating activities</b>		
Profit before tax	8,708	16,535
Adjustments for:		
Depreciation	5,507	4,327
Amortisation of prepaid lease payment	18	-
Interest expenses	4,270	2,916
Interest income	(10)	(97)
Share of profit of associated company	(1,462)	-
Loss/ (gain) on disposal of plant and equipment	3	(83)
Fixed assets written off	9	14
Gain on disposal of investment	(18)	-
Dividend income	-	(3)
Share-based payment	356	673
Operating profit before working capital changes	17,381	24,282
Increase in :		
Inventories	(15,738)	(6,289)
Trade and other receivables	(4,884)	(4,292)
Increase in :		
Trade and other payables	7,666	3,873
Cash generated from operations	4,425	17,574
Tax refund / (paid)	64	(854)
<b>Net cash generated from operating activities</b>	4,489	16,720
<b>Cash flows from investing activities</b>		
Proceeds from disposal of plant and equipment	7	215
Purchase of property, plant and equipment	(21,017)	(27,590)
Purchase of prepaid lease payment	(1,079)	-
Purchase of other investment	-	(25)
Investment in associated company	(282)	-
Share application money	(427)	-
Proceeds from disposal of other investment	75	-
Deposits pledged with licenced bank	-	77
Interest received	10	97
Dividend received	-	2
<b>Net cash used in investing activities</b>	(22,713)	(27,224)

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

	Year Ended	
	31-Dec-07 RM	31-Dec-06 RM
<b>Cash flows from financing activities</b>		
Short term borrowings, net	1,179	2,785
Drawdown of term loans	26,657	5,595
Repayment of term loans	(2,214)	(855)
Repayment of hire purchase creditors	(57)	(41)
Proceeds from issue of shares for share option exercised	3,848	-
Dividend paid	(4,147)	-
Interest paid	(4,270)	(2,916)
<b>Net cash generated from financing activities</b>	<b>20,996</b>	<b>4,568</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>2,772</b>	<b>(5,936)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>4,433</b>	<b>10,369</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>7,205</b>	<b>4,433</b>

Notes:

A. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

Cash & bank balances	7,310	7,204
Deposits with licensed banks (excluding deposits pledged)	83	80
Bank overdrafts	(188)	(2,851)
	<u>7,205</u>	<u>4,433</u>

The condensed cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

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**SELECTED EXPLANATORY NOTES  
TO THE INTERIM FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2007**

**1. Basis of preparation**

The interim financial report is unaudited and has been prepared in compliance with FRS 134<sub>2004</sub>, Interim Financial Reporting and paragraph 9.22 of the Listing Requirement of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2006. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2006.

**2. Changes in accounting policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2006 except for the adoption of the following new/revised Financial Reporting Standards (“FRS”) effective for the financial year beginning 1 January 2007:

FRS 112	Income Taxes
FRS 117	Leases
FRS 124	Related Party Disclosures

The adoption of the above revised FRSs does not result in any significant change in the group’s accounting policies except for the following:

*FRS 112 : Income Taxes*

The Group adopted an accounting policy to recognise the deferred tax assets arising from reinvestment allowances (“RA”), to the extent that it is probable that future taxable profit will be utilised against any unutilised RA.

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**SELECTED EXPLANATORY NOTES  
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**2. Changes in accounting policies (Cont'd)**

The application is retrospective and accordingly, the comparative amounts as at 31 December 2006 are restated and the opening retained earnings as at 1 January 2007 has been adjusted. The financial impact to the Group arising from this change in accounting policy is as follows:-

	<b>At 1.1.2007</b>	
	<b>RM'000</b>	
Increase in retained earnings		4,301
Increase in deferred tax assets		4,301
	<b>year ended</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>
	<b>RM'000</b>	<b>RM'000</b>
Increase in profit for the year	3,376	995

**3. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 31 December 2006 was not qualified.

**4. Seasonality of operations**

The business operations of the Group are not significantly affected by any seasonal or cyclical factors.

**5. Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year-to-date apart from the allowance for doubtful debts of RM 6.3 million (see note 14 and 15)

**6. Material changes in estimates**

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

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**SELECTED EXPLANATORY NOTES  
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**7. Issuances and repayment of debt and equity securities**

There were no issuance, cancellations, repurchase, resale and repayment of debt and equity securities for the current quarter under review except for the followings:-

- a) On 23 January 2007, the issued and paid up share capital of the Company was increased from 110,000,000 ordinary shares of RM0.50 each to 110,401,000 ordinary shares of RM0.50 each via the allotment of 401,000 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM1.00 per share.
- b) On 14 February 2007, the Company issued Bonus Shares of 55,200,500 new ordinary shares of RM0.50 each on the basis of 1 new ordinary share for every 2 existing ordinary shares held. The issued and paid-up share capital of the Company was increased from 110,401,000 ordinary shares of RM0.50 each to 165,601,500 ordinary shares of RM0.50 each.
- c) On 15 March 2007, the issued and paid up share capital of the Company was increased from 165,601,500 ordinary shares of RM0.50 each to 165,631,500 ordinary shares of RM0.50 each via the allotment of 30,000 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.
- d) On 25 April 2007, the issued and paid up share capital of the Company was increased from 165,631,500 ordinary shares of RM0.50 each to 165,901,500 ordinary shares of RM0.50 each via the allotment of 270,000 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.
- e) On 22 June 2007, the issued and paid up share capital of the Company was increased from 165,901,500 ordinary shares of RM0.50 each to 166,012,500 ordinary shares of RM0.50 each via the allotment of 111,000 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.
- f) On 16 July 2007, the issued and paid up share capital of the Company was increased from 166,012,500 ordinary shares of RM0.50 each to 166,444,500 ordinary shares of RM0.50 each via the allotment of 432,000 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.
- g) On 25 July 2007, the issued and paid up share capital of the Company was increased from 166,444,500 ordinary shares of RM0.50 each to 166,979,500 ordinary shares of RM0.50 each via the allotment of 535,000 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.

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**7. Issuances and repayment of debt and equity securities (Cont'd)**

- h) On 13 August 2007, the issued and paid up share capital of the Company was increased from 166,979,500 ordinary shares of RM0.50 each to 169,484,000 ordinary shares of RM0.50 each via the allotment of 2,504,500 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.
- i) On 14 August 2007, the issued and paid up share capital of the Company was increased from 169,484,000 ordinary shares of RM0.50 each to 169,890,500 ordinary shares of RM0.50 each via the allotment of 406,500 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.
- j) On 13 September 2007, the issued and paid up share capital of the Company was increased from 169,890,500 ordinary shares of RM0.50 each to 170,468,000 ordinary shares of RM0.50 each via the allotment of 577,500 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.
- k) On 26 September 2007, the issued and paid up share capital of the Company was increased from 170,468,000 ordinary shares of RM0.50 each to 170,509,000 ordinary shares of RM0.50 each via the allotment of 41,000 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.
- l) On 17 October 2007, the issued and paid up share capital of the Company was increased from 170,509,000 ordinary shares of RM0.50 each to 170,547,000 ordinary shares of RM0.50 each via the allotment of 38,000 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.
- m) On 15 November 2007, the issued and paid up share capital of the Company was increased from 170,547,000 ordinary shares of RM0.50 each to 170,631,000 ordinary shares of RM0.50 each via the allotment of 84,000 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.
- n) On 26 November 2007, the issued and paid up share capital of the Company was increased from 170,631,000 ordinary shares of RM0.50 each to 170,646,000 ordinary shares of RM0.50 each via the allotment of 15,000 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.

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**SELECTED EXPLANATORY NOTES  
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**7. Issuances and repayment of debt and equity securities (Cont'd)**

- o) On 17 December 2007, the issued and paid up share capital of the Company was increased from 170,646,000 ordinary shares of RM0.50 each to 170,746,000 ordinary shares of RM0.50 each via the allotment of 100,000 ordinary shares issued pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share.

**8. Dividends**

During the financial period, the Company paid a first and final dividend of 5% or 2.5 sen per share (Tax Exempt) totaling RM4,147,537.49 in respect of the financial year ended 31 December 2006 on 29 June 2007.

The Board of Eonmetall had on 29 February 2008 recommended a first and final dividend of 5% tax exempt in respect of the financial year ended 31 December 2007 subject to the approval of the shareholders at the forthcoming Annual General Meeting.

**9. Segment revenue and results**

Financial data by business segment for the Group:

	Year ended 31.12.2007	
	Revenue	Operating profit/(loss)
	RM'000	RM'000
Machinery and equipment	42,561	10,618
Secondary flat steel and related products	100,519	3,865
IT solutions and automation	17	(2,190)
Investment holding	-	(787)
	<u>143,097</u>	<u>11,506</u>

**10. Valuation of property, plant and equipment**

Not applicable. No valuation policy was adopted for property, plant and equipment of the Group.

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**11. Material events subsequent to the balance sheet date**

There were no material events subsequent to the balance sheet date apart from:

The issuance of 420,000 ordinary share of RM0.50 each for cash pursuant to the exercise of Employee Share Option Scheme at the exercise price of RM0.67 (ex-bonus price) per share as follow:-

- 50,000 ordinary shares allotted on 02 January 2008;
- 226,000 ordinary shares allotted on 17 January 2008;
- 144,000 ordinary shares allotted on 20 February 2008;

**12. Changes in the composition of the Group**

There were no changes in the composition of the Group during the current quarter save as:

- On 6 April 2007, the Company incorporated a new company known as Eonmetall Petro-Chem (M) Sdn. Bhd. ("EMPC"). EMPC is a 100% owned subsidiary of the Company. The initial paid-up capital of EMPC is RM2/= with the authorised share capital of RM100,000/=. EMPC will be principally involved in the business of engineering services in oil, gas and chemical industry. The first Directors of EMPC are Dato' Goh Cheng Huat and Mr Yeoh Cheng Chye.
- On 30 October 2007, EMPC had subsequently acquired 60% of the issued and paid-up capital of Eonmetall Bintai Koyo JV Pte. Ltd (Formerly known as Victorious Builders Pte. Ltd.) for a total cash consideration of SGD60.00.
- As at to-date, EMPC had invested 30% equity interest amounting to RM282,000 in Eonmetall Global Composites LLC, an associated company incorporated in Dubai, United Arab Emirates.

**13. Capital commitments**

	As at 31.12.2007 RM'000	As at 31.12.2006 RM'000
Contracted but not provided for	<u>643</u>	<u>1,400</u>
Approved but not contracted for	<u>22,368</u>	<u>-</u>

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**SELECTED EXPLANATORY NOTES  
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**14. Review of earnings and/or revenue of the Company and its subsidiaries for current quarter and financial year-to-date**

The Group's revenue for the current quarter increased by RM8.9million (from RM32.5million to RM41.4million) or 27% as compared to the corresponding quarter in the previous year. The major increase in revenue was contributed by palm-pressed fibre oil extraction plants and high demand for secondary flat steel and related products.

The Group's revenue for the current financial year increased by RM49.2 million (from RM93.9million to RM143.1million) or 52% as compared to the corresponding financial year-to-date in previous year. Secondary flat steel and related products contributed approximately 70% of the Group's total revenue and the increase is mainly contributed by the distribution of steel coils. Sales on machinery and equipment also showed an encouraging growth of approximately 41% over preceding financial year.

However, the Group's profit before tax show a decrease by RM7.8 million (from RM16.5 million to RM8.7 million) or 47% as compared to the corresponding financial year in the previous year. The substantial drop in Group's profit before tax was largely attributed to the allowance for doubtful debts of RM6.3 million for the current financial year. The decrease was also mainly due to lower profit margin as a result of increase in cost of raw materials coupled with high production costs. Furthermore, the distribution of steel coils in general yielded a lower margin as compared to other product.

**15. Material change in Profit Before Taxation ("PBT") reported on as compared with the immediate preceding quarter.**

The Group's recorded a current quarter loss before tax of RM1.0 million, a drop of RM4.3 million over the preceding quarter (from profit before tax of RM3.3 million to loss before tax of RM1.0 million), primarily due to the allowance for doubtful debts made of RM6.3 million. The Group would show a profit before tax (excluding allowance for doubtful debts) of RM5.4 million, an increase of RM2.1 million over the preceding quarter as explained in the table below. The higher profit (excluding allowance for doubtful debts) was due to higher sale of machinery and equipment in the current quarter, which yielded a higher profit margin than other segment of business. Sale of machinery and equipment showed a substantial increase of approximately 129% over the preceding quarter from RM8.6 million to RM19.7 million in the current quarter. The higher profit before tax was also contributed by share of profit from associated company in Dubai, United Arab Emirates.

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**SELECTED EXPLANATORY NOTES  
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	3 months ended 31.12.2007 RM 000	3 months ended 30.09.2007 RM 000
Profit before tax before allowance for doubtful debts	5,390	3,322
Less : Allowance for doubtful debts	(6,362)	-
Loss before tax	<u>(972)</u>	<u>3,322</u>

**16. Commentary of Prospects**

Barring any unforeseen circumstances, the Board of Directors of Eonmetall anticipates the performance of the group for the financial year 2008 to be further improved.

**17. Variance of actual and forecast profit**

Not applicable. The Group did not publish any profit forecast for the financial year under review.

**18. Taxation**

	3 months ended 31.12.07 RM’000	Year to date ended 31.12.07 RM’000
Current tax expense	(67)	518
Deferred tax expense	(949)	(662)
Deferred tax asset	(308)	(3,376)
	<u>(1,324)</u>	<u>(3,520)</u>

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**SELECTED EXPLANATORY NOTES  
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There were no material purchases or disposals of unquoted investment and/or properties in the current quarter and financial period-to-date except for EMPC had invested 30% equity interest amounted RM282,000 in Eonmetall Global Composites LLC, an associated company incorporated in Dubai, United Arab Emirates.

**20. Quoted investments**

There were no material purchases or disposals of quoted investment during the current quarter and financial period-to-year except for disposal of quoted shares for a total proceeds of RM74,941 with a gain on disposal of RM17,895.

**21. Status of corporate proposal announced**

There are no corporate proposals announced but not completed as at the date of this announcement.

**22. Group borrowings**

The Group's borrowings as at the end of the current reporting year are as follows: -

	Payable within 12 months RM' 000	Payable after 12 months RM' 000
<b>RM denominated borrowings</b>		
<b><u>Secured</u></b>		
Term loans	4,421	28,276
Hire purchases	63	143
	4,484	28,419
<b><u>Unsecured</u></b>		
Bank overdrafts	188	-
Bankers' acceptances	18,812	-
	19,000	-
Total RM denominated borrowing	23,484	28,419

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**SELECTED EXPLANATORY NOTES  
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**23. Foreign Currency Contracts**

As at 29 February 2008, the Group has entered into the following outstanding Foreign Currency Contracts (“FCC”) to hedge its confirmed sales in foreign currencies:

<u>Foreign Currency</u>	<u>Outstanding Contract (‘000)</u>	<u>Equivalent Amount (RM’000)</u>	<u>Expiry Dates</u>
EURO	305	1,445	To be matured on March 2008

FCCs are entered into to hedge the Group’s confirmed sales in foreign currency. The contracted rates will be used to convert the foreign currency amounts into Ringgit Malaysia. The purpose of the hedging is to mitigate the Group’s exposure to foreign currency risk.

As at balance sheet date, no adjustment has been made for the above foreign currency contracts to account for the difference between the contracted rate and the prevailing market rate as the amount is immaterial.

The Group does not foresee any significant credit and market risk associated with the above foreign currency contracts as these were entered into with creditworthy financial institutions.

There is no cash outlay requirement for these contracts.

**24. Changes in material litigation**

There is no material litigation involving the Group as at the date of this report.

**EONMETALL GROUP BERHAD****(Company No. 631617-D)****(Incorporated in Malaysia)****SELECTED EXPLANATORY NOTES  
TO THE INTERIM FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2007****25. Earnings per share**

The earnings per share was computed based on the net profit divided by the weighted average number of shares in issue:

	Three months ended 31.12.07	Year to date ended 31.12.07
Net profit (RM'000)	352	12,228
<b>Basic :</b>		
Weighted average number of shares in issue ( '000)	170,605	167,601
Basic earnings per share (sen)	<u>0.21</u>	<u>7.30</u>
<b>Diluted :</b>		
Weighted average number of shares ( '000):		
- In issue	170,605	167,601
- Effect of ESOS	<u>2,713</u>	<u>2,345</u>
	<u>173,318</u>	<u>169,946</u>
Diluted earnings per share (sen)	<u>0.20</u>	<u>7.20</u>

By order of the Board

Dato' Goh Cheng Huat  
Group Managing Director

**DATED THIS 29<sup>th</sup> February 2008**