

**Mega First Corporation Berhad  
(Company No. 6682-V)  
(Incorporated in Malaysia)**

**Interim Financial Report  
30 June 2007**

**Unaudited Condensed Consolidated Income Statements**  
**For the second quarter and six months ended 30 June 2007**

|                                      | Note | INDIVIDUAL PERIOD  |   | CUMULATIVE PERIOD                              |  |
|--------------------------------------|------|--|---|--|--|
|                                      |      | Current Year<br>2 <sup>nd</sup> Quarter<br>30.6.2007<br>RM'000 | Preceding Year<br>Corresponding<br>2 <sup>nd</sup> Quarter<br>30.6.2006<br>RM'000 | Current Year<br>To date<br>30.6.2007<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30.6.2006<br>RM'000 |
| Revenue                              | A8   | 119,111  | 121,100   | 234,129  | 233,788  |
| Operating expenses                   |      | (95,400)   | (98,320)  | (188,810)                                      | (191,626)  |
| Other operating income               |      | 3,526  | 2,810   | 5,772  | 5,539  |
| Profit from operations               |      | 27,237   | 25,590  | 51,091   | 47,701   |
| Finance cost                         |      | (1,631)  | (2,672)   | (3,347)  | (4,648)  |
| Share of profit/(loss) of associates |      | 223  | (88)  | (204)  | (175)  |
| <b>Profit before taxation</b>        | A8   | 25,829   | 22,830  | 47,540   | 42,878   |
| Tax expense                          |      | (4,434)  | (5,113)   | (9,308)  | (9,050)  |
| <b>Net profit for the period</b>     |      | <b>21,395</b>  | <b>17,717</b>   | <b>38,232</b>                                  | <b>33,828</b>  |
| Attributable to :                    |      |  |   |  |  |
| Equity holders of the parent         |      | 13,656   | 9,403   | 25,098   | 19,362   |
| Minority interest                    |      | 7,739  | 8,314   | 13,134   | 14,466   |
|                                      |      | 21,395   | 17,717  | 38,232   | 33,828   |
| EPS - Basic (sen)                    | B13  | 5.74   | 3.98  | 10.58  | 8.20   |
| - Diluted (sen)                      | B13  | 5.70   | N/A   | 10.50  | N/A  |

The notes set out on pages 5 to 13 form an integral part of and should be read in conjunction with this interim financial report.

**Unaudited Condensed Consolidated Balance Sheets  
As of 30 June 2007**

|  | <b>As at<br/>30.6.07<br/>RM'000</b> | <b>Audited<br/>As at<br/>31.12.06<br/>RM'000</b> |
|--|-------------------------------------|--|
| <b>ASSETS</b>  |                                     |  |
| <b>Non Current Assets</b>  |                                     |  |
| Property, plant and equipment  | 239,844                             | 234,606  |
| Associates   | 3,850                               | 6,173  |
| Investments  | 10,054                              | 8,329  |
| Prepaid lease payments   | 3,399                               | 3,496  |
| Investment properties  | 30,946                              | 30,918   |
| Land held for property development   | 68,581                              | 66,792   |
| Goodwill on consolidation  | 10,772                              | 7,785  |
|  | <b>367,446</b>                      | <b>358,099</b>                                   |
| <b>Current Assets</b>  |                                     |  |
| Inventories  | 42,826                              | 37,593   |
| Property development   | 14,883                              | 17,551   |
| Trade and other receivables  | 146,465                             | 126,381  |
| Bank balances and deposits   | 94,018                              | 100,750  |
|  | <b>298,192</b>                      | <b>282,275</b>                                   |
| Non-current asset held for sale  | 39,931                              | 40,196   |
|  | <b>338,123</b>                      | <b>322,471</b>                                   |
| <b>TOTAL ASSETS</b>  | <b>705,569</b>                      | <b>680,570</b>                                   |
| <b>EQUITY AND LIABILITIES</b>  |                                     |  |
| <b>Equity Attributable To Equity Holders Of The Parent</b>                                 |                                     |  |
| Share capital  | 238,794                             | 236,000  |
| Reserves   | 94,687                              | 78,819   |
| Shareholders' funds  | <b>333,481</b>                      | <b>314,819</b>                                   |
| <b>Minority Interests</b>  | <b>113,561</b>                      | <b>124,913</b>                                   |
| <b>Total Equity</b>  | <b>447,042</b>                      | <b>439,732</b>                                   |
| <b>Non Current Liabilities</b>   |                                     |  |
| Borrowings – non-current   | 33,154                              | 29,985   |
| Other long term payables   | 2,121                               | 2,622  |
| Deferred taxation  | 27,961                              | 27,497   |
|  | <b>63,236</b>                       | <b>60,104</b>                                    |
| <b>Current Liabilities</b>   |                                     |  |
| Trade and other payables   | 114,549                             | 98,100   |
| Short term borrowings  | 71,952                              | 72,392   |
| Taxation   | 8,790                               | 10,242   |
|  | <b>195,291</b>                      | <b>180,734</b>                                   |
| <b>Total Liabilities</b>   | <b>258,527</b>                      | <b>240,838</b>                                   |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>705,569</b>                      | <b>680,570</b>                                   |
| <b>Net Assets Per Share Attributable To Ordinary<br/>Equity Holders Of The Parent (RM)</b> | <b>1.40</b>                         | <b>1.33</b>                                      |

The notes set out on pages 5 to 13 form an integral part of and should be read in conjunction with this interim financial report.

**Mega First Corporation Berhad**  
(Co. No. 6682-V)

**Unaudited Condensed Consolidated Statement Of Changes In Equity**  
**For the six months ended 30 June 2007**

|   | ← Attributable to equity holders of the parent → |                            |                              |                                       |                                  |                              |                               | Total<br>RM'000 | Minority<br>Interest<br>RM'000 | Total<br>Equity<br>RM'000 |
|---|--|----------------------------|------------------------------|---------------------------------------|----------------------------------|------------------------------|-------------------------------|-----------------|--------------------------------|---------------------------|
|   | ← Non-distributable reserves →                   |                            |                              |                                       | Distributable                    |                              |                               |                 |                                |                           |
|   | Share<br>Capital<br>RM'000                       | Share<br>Premium<br>RM'000 | Treasury<br>Shares<br>RM'000 | Share<br>Option<br>Reserves<br>RM'000 | Translation<br>Reserve<br>RM'000 | Capital<br>Reserve<br>RM'000 | Retained<br>Profits<br>RM'000 |                 |                                |                           |
| Balance at 1 January 2007                         | 236,000  | 33,380                     | -                            | 28                                    | 6,650                            | 2,213                        | 36,548                        | 314,819         | 124,913                        | 439,732                   |
| Currency translation differences                  | -  | -                          | -                            | -                                     | (2,833)                          | -                            | -                             | (2,833)         | (1,701)                        | (4,534)                   |
| Net profit for the period                         | -  | -                          | -                            | -                                     | -                                | -                            | 25,098                        | 25,098          | 13,134                         | 38,232                    |
| Dividends   | -  | -                          | -                            | -                                     | -                                | -                            | (5,210)                       | (5,210)         | (22,785)                       | (27,995)                  |
| Purchase of subsidiary                            | -  | -                          | -                            | -                                     | -                                | -                            | -                             | -               | -                              | -                         |
| Issue of ordinary shares pursuant to ESOS         | 2,794  | -                          | -                            | -                                     | -                                | -                            | -                             | 2,794           | -                              | 2,794                     |
| Purchase of treasury shares                       | -  | -                          | (1,178)                      | -                                     | -                                | -                            | -                             | (1,178)         | -                              | (1,178)                   |
| Transaction costs                                 | -  | -                          | (9)                          | -                                     | -                                | -                            | -                             | (9)             | -                              | (9)                       |
| <b>Balance at 30 June 2007</b>                    | <b>238,794</b>                                   | <b>33,380</b>              | <b>(1,187)</b>               | <b>28</b>                             | <b>3,817</b>                     | <b>2,213</b>                 | <b>56,436</b>                 | <b>333,481</b>  | <b>113,561</b>                 | <b>447,042</b>            |
| Balance at 1 January 2006                         | 236,000  | 33,380                     | -                            | -                                     | 8,171                            | 2,213                        | (3,625)                       | 276,139         | 96,139                         | 372,278                   |
| Currency translation differences                  | -  | -                          | -                            | -                                     | (402)                            | -                            | -                             | (402)           | -                              | (402)                     |
| Net profit for the period                         | -  | -                          | -                            | -                                     | -                                | -                            | 19,362                        | 19,362          | 14,466                         | 33,828                    |
| Dividends   | -  | -                          | -                            | -                                     | -                                | -                            | (2,549)                       | (2,549)         | (1,415)                        | (3,964)                   |
| Purchase of additional investment in a subsidiary | -  | -                          | -                            | -                                     | -                                | -                            | -                             | -               | (40)                           | (40)                      |
| <b>Balance at 30 June 2006</b>                    | <b>236,000</b>                                   | <b>33,380</b>              | <b>-</b>                     | <b>-</b>                              | <b>7,769</b>                     | <b>2,213</b>                 | <b>13,188</b>                 | <b>292,550</b>  | <b>109,150</b>                 | <b>401,700</b>            |

The notes set out on pages 5 to 13 form an integral part of and should be read in conjunction with this interim financial report.

**Unaudited Condensed Consolidated Cash Flow Statements**  
**For the six months ended 30 June 2007**

|   | <b>30.6.2007</b>     | <b>30.6.2006</b>     |
|---|----------------------|----------------------|
|   | <b>RM'000</b>        | <b>RM'000</b>        |
| Profit before taxation  | 47,540               | 42,878               |
| Adjustment for non-cash flow :                                |                      |                      |
| Non-cash items  | 10,011               | 13,547               |
| Non-operating items   | 794                  | 3,940                |
| Operating profit before changes in working capital            | <u>58,345</u>        | <u>60,365</u>        |
| Changes in working capital :                                  |                      |                      |
| Net change in current assets                                  | (22,649)             | 20,117               |
| Net change in current liabilities                             | <u>16,449</u>        | <u>6,885</u>         |
| Cash generated from operations                                | 52,145               | 33,363               |
| Tax paid  | <u>(10,361)</u>      | <u>(7,609)</u>       |
| <b>Net cash inflow from operating activities</b>              | <b>41,784</b>        | <b>25,754</b>        |
| <b>Cash for investing activities</b>                          |                      |                      |
| Purchase of subsidiaries                                      | (8,910)              | -                    |
| Interest income   | 1,090                | 884                  |
| Increase in investment properties                             | (28)                 | (6,586)              |
| Increase land held for property development                   | (1,789)              | (420)                |
| Proceeds from disposal of property, plant and equipment       | 131                  | 7,350                |
| Purchase of investment  | (2,444)              | (5,007)              |
| Purchase of property, plant and equipment                     | <u>(10,738)</u>      | <u>(6,604)</u>       |
| <b>Net cash for investing activities</b>                      | <u>(22,688)</u>      | <u>10,383</u>        |
| <b>Net cash for financing activities</b>                      |                      |                      |
| Increase/(Decrease) in :                                      |                      |                      |
| Short term borrowings excluding overdrafts                    | (1,886)              | (20,834)             |
| Hire purchase payables  | (501)                | (1,232)              |
| Proceeds from term loans                                      | -                    | 3,004                |
| Repayment of term loans                                       | (1,538)              | (2,474)              |
| Dividends paid to minority shareholders                       | (9,440)              | -                    |
| Purchase of treasury shares                                   | (1,187)              | -                    |
| Interest paid   | (3,830)              | (4,461)              |
| Dividends paid  | <u>(5,210)</u>       | <u>(4,445)</u>       |
| <b>Net cash used in financing activities</b>                  | <u>(23,592)</u>      | <u>30,442</u>        |
| <b>Net (decrease)/increase in cash &amp; cash equivalents</b> | <b>(4,496)</b>       | <b>(15,071)</b>      |
| <b>Cash &amp; cash equivalents at beginning of period</b>     | <u>86,621</u>        | <u>88,179</u>        |
| <b>Cash &amp; cash equivalents at end of period</b>           | <u><u>84,125</u></u> | <u><u>73,108</u></u> |

The notes set out on pages 5 to 13 form an integral part of and should be read in conjunction with this interim financial report.

**Notes to the interim financial report**

**A EXPLANATORY NOTES PURSUANT TO FRS 134**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard (“FRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2006.

In the current financial year, the Group had adopted Financial Reporting Standard (“FRS”) No. 124 Related Party Disclosures effective for the financial period beginning on or after 1 October 2006. The adoption of FRS No. 124 has no significant impact on the Group Financial Statements.

Other than as disclosed in the foregoing paragraph, the accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those in the financial statements for the financial year ended 31 December 2006.

**A2. Qualification of financial statement**

The audit report of the Group’s annual financial statements for the financial year ended 31 December 2006 was not subject to any qualification.

**A3. Seasonal or cyclical factors**

Our principal business operations are not significantly affected by seasonal or cyclical factors.

**A4. Unusual item**

There was no item affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence in these financial statements.

**A5. Nature and amount of changes in estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter and six months ended 30 June 2007.

**A6. Debt and equity securities**

Debt and equity securities

|  | Number of Ordinary Shares<br>of RM1 Each            |                            | Amount  |                              |
|--|---|----------------------------|---|------------------------------|
|  | Share Capital<br>(Issued and<br>Fully Paid)<br>'000 | Treasury<br>Shares<br>'000 | Share Capital<br>(Issued and<br>Fully Paid)<br>RM'000 | Treasury<br>Shares<br>RM'000 |
| As of 1.1.2007                             | 236,000   | -                          | 236,000   | -                            |
| Ordinary shares issued<br>pursuant to ESOS | <u>2,794</u>  | <u>-</u>                   | <u>2,794</u>  | <u>-</u>                     |
|  | 238,794   | -                          | 238,794   | -                            |
| Purchase of treasury shares                | -   | 804.8                      | -   | (1,178)                      |
| Transaction costs                          | <u>-</u>  | <u>-</u>                   | <u>-</u>  | <u>(9)</u>                   |
| As of 30.6.2007                            | <u>238,794</u>                                      | <u>804.8</u>               | <u>238,794</u>  | <u>(1,187)</u>               |

6.1 Share options exercised during the quarter

During the six months ended 30 June 2007, 2,794,000 ordinary shares of RM1 each were issued at the option price of RM1 each pursuant to the exercise of options under the Group's Employee Share Option Scheme. As at 30 June 2007, options over 2,718,000 unissued ordinary shares remained outstanding.

6.2 Treasury Shares

The Shareholders of the Company, by an ordinary resolution passed in an extraordinary general meeting held on 27 February 2007 approved the Company's plan to repurchase its own ordinary shares. During the six months ended 30 June 2007, the Company repurchased 804,800 of its issued ordinary shares from the open market at an average price of RM1.464 per share. The total consideration paid for the repurchase was RM1,186,949 comprising of consideration paid amounting to RM1,178,229 and transaction cost of RM8,720. The repurchase transactions were financed by bank borrowings. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965. Of the total 238,794,000 (2006 : 236,000,000) issued and fully paid ordinary shares as at 30 June 2007, 804,800 (2006 : Nil) are held as treasury shares by the Company. As at 30 June 2007, the number of outstanding ordinary shares in issue after the set off is therefore 237,989,200 (2006 : 236,000,000) ordinary shares of RM1 each.

Other than as disclosed above, there was no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares in these financial statements.

**A7. Dividend paid**

A final dividend of 3.0%, less income tax, for the financial year ended 31 December 2006 was approved by the shareholders at the Annual General Meeting held on 27 April 2007. The entitlements to the dividend which were determined on the basis of the record of depositors as at 11 May 2007 was paid on 29 May 2007.

**A8. Segment information for the six months ended 30 June 2007**

| <b>2007</b>  | <b>Revenue<br/>RM'000</b> | <b>Profit/(Loss)<br/>Before<br/>Tax<br/>RM'000</b> |
|--|---------------------------|--|
| <b>By Activity</b>   |                           |  |
| <u>Continuing operations:</u>  |                           |  |
| Build, own and operate power plants  | 159,134                   | 35,675   |
| Property development   | 13,018                    | 2,681  |
| Quarrying and production of quicklime, hydrated lime and calcium carbonate products  | 32,674                    | 4,926  |
| Engineering, designing and manufacturing of automotive and transportation components | 29,303                    | 2,349  |
| Investment holding   | -                         | 2,113  |
| Associates   | -                         | (204)  |
|  | 234,129                   | 47,540   |

**A9. Valuation of Property, Plant and Equipment**

There was no revaluation of property, plant and equipment in these financial statements.

**A10. Events subsequent to the balance sheet date**

Other than as disclosed in Note A11, there was no material event subsequent to the end of the period reported up to 16 August 2007, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

**A11. Changes in composition of the Group**

- i) On 30 May 2007, Batamas Sdn. Bhd. became a wholly-owned subsidiary of Rock Chemical Industries (M) Bhd (“RCI”).
- ii) On 18 April 2007, RCI Minerals Sdn.Bhd. (“RCIM”) a wholly owned subsidiary of RCI which in turn is a 60.4% subsidiary of Mega First Corporation Berhad (“MFCB”) entered into a conditional sale and purchase agreement with 13 individuals to acquire the entire issued and paid-up share capital of Mesrasasi Sdn. Bhd. comprising 200,000 fully paid ordinary shares of RM1.00 each for a total cash consideration of RM2,570,000 (“Proposed Mesrasasi Acquisition”).

Contemporaneously, RCI Lime Sdn. Bhd. (“RCIL”), a wholly-owned subsidiary of RCI, has entered into a conditional sale and purchase agreement with Syarikat Perusahaan Sri Murni Sdn. Bhd. to acquire the limestone crushing plant and equipment for a cash consideration of RM1,007,260 (“Proposed Plant Acquisition”).

These acquisitions were completed on 27 June 2007.

- iii) On 4 May 2007, RCI a 60.4% owned subsidiary of MFCB announced that a new wholly-owned subsidiary, Mega First Venture Limited (“MFVL”), was incorporated in Hong Kong on 2 May 2007. MFVL has an authorized share capital of HKD2,000,000 divided into 100 fully paid ordinary shares of HKD1 each. The intended principal activity of MFVL is investment holding.

Other than as disclosed above, there was no material change in the composition of the Group for the six months ended 30 June 2007 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

**A12. Changes in contingent liabilities and assets**

- a) Contingent liabilities

There was no material change in contingent liabilities of the Group from 1 January 2007 to 16 August 2007, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

- b) Contingent assets

The Group has no contingent asset as at 16 August 2007, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of performance**

a) Current quarter

For the current quarter under review the Group recorded a pre-tax profit of RM25.8 million and a revenue of RM119.1 million.

All Divisions maintain their profitable trend with the Power Division registering a pre-tax profit of RM20.7 million or 80% of the total pre-tax profits. The Limestone Division contributed RM2.3 million whereas the Engineering and Property Divisions registered pre-tax profits of RM1.2 million and RM0.8 million respectively. The pre-tax profits of the Investment Holding Division is derived mainly from the gain on the disposal of quoted securities (refer note B7 a (ii)).

b) For the six months ended 30 June 2007

For the six months ended 30 June 2007, the Group achieved a pre-tax profit of RM47.5 million on the back of a revenue of RM234.1 million.

The commendable performance of the Group is principally due to its Power Division which accounted for RM35.7 million or 75% of the total pre-tax profits. The other three Divisions accounted for RM10.0 million or 21% of the pre-tax profits with the Limestone Division showing a notable increase in its contribution. The Investment Holding Division's profit is mainly due to the reversal of allowance for impairment loss no longer required and gain from disposal of quoted securities.

**B2. Variation of results against preceding quarter**

For the second quarter ended 30 June 2007, the Group's revenue and pre-tax profit of RM119.1 million and RM25.8 million was higher than the preceding quarter's revenue and pre-tax profit of RM115.1 million and RM21.7 million respectively. The improved results were mainly due to higher revenue from the Power and Limestone Divisions which translates into higher profits.

**B3. Prospects**

The Board is confident that the results for the remaining quarters will remain satisfactory.

**B4. Profit forecast**

The Group did not issue any profit forecast or profit guarantee.

**B5. Tax expense**

|                                  | <b>Current quarter<br/>ended<br/>30.6.2007<br/>RM'000</b> | <b>Period<br/>ended<br/>30.6.2007<br/>RM'000</b> |
|----------------------------------|---|--|
| Current tax expense              |   |  |
| Malaysian                        | 2,117   | 4,834  |
| Overseas                         | 2,877   | 4,553  |
| Tax expense on share of profit : |   |  |
| - associate                      | 20  | 29   |
|                                  | <hr/> 5,014   | <hr/> 9,416                                      |
| Deferred tax expense             |   |  |
| Malaysian                        | (580)   | (108)  |
| Overprovision in prior years     | -   | -  |
| Overseas                         | -   | -  |
|                                  | <hr/> (580)   | <hr/> (108)                                      |
|                                  | <hr/> <hr/> 4,434   | <hr/> <hr/> 9,308                                |

The effective tax rate of the Group for the current quarter and period ended 30 June 2007 was lower than the statutory tax rate due mainly to the income earned in China which is taxed at the rate of 17.5 per cent.

**B6. Unquoted investments and properties**

Other than as disclosed in note A11, there was no sale or purchase of unquoted investment or property during the current quarter and six months ended 30 June 2007.

**B7. Quoted investment**

a) Purchase and sale of quoted investments for the current quarter and six months ended 30 June 2007 are as follows :

i) Acquisition of quoted investments

|                        | <b>Current<br/>Quarter ended<br/>30.6.2007<br/>RM'000</b> | <b>Period ended<br/>30.6.2007<br/>RM'000</b> |
|------------------------|---|--|
| Purchase consideration | <hr/> 2,297   | <hr/> 2,444                                  |

ii) Disposal of quoted investment

|                     | <b>Current<br/>Quarter ended<br/>30.6.2007<br/>RM'000</b> | <b>Period ended<br/>30.6.2007<br/>RM'000</b> |
|---------------------|---|--|
| Sale consideration  | 2,520   | 2,520  |
| Less : Cost of sale | <u>(1,054)</u>  | <u>(1,054)</u>                               |
| Gain on disposal    | <u>1,466</u>  | <u>1,466</u>                                 |

b) Investments in quoted securities as of 30 June 2007

|                    | <b>Cost<br/>RM'000</b> | <b>Book<br/>Value<br/>RM'000</b> | <b>Market<br/>Value<br/>RM'000</b> |
|--------------------|------------------------|----------------------------------|------------------------------------|
| Quoted in Malaysia | <u>9,719</u>           | <u>9,719</u>                     | <u>14,697</u>                      |

**B8. Status of corporate proposal**

On 6 March 2007, Rock Chemical Industries (Malaysia) Berhad (“RCI” or “Company”) a 60.4% owned subsidiary of Mega First Corporation Berhad announced that the Company is proposing to establish an Employees’ Share Option Scheme (“ESOS” or “Scheme”) for the benefit of the eligible Executive Directors and employees of RCI and its subsidiaries (“RCI Group” or “Group”) (collectively referred to as “Eligible Employees”). The ESOS was approved by the shareholders of RCI on 25 April 2007 and has yet to become effective.

**B9. Borrowing and debt securities**

Group borrowings as of 30 June 2007 :

|  | <b><u>RM'000</u></b> |
|--|----------------------|
| <b><u>Short term borrowings</u></b>      |                      |
| <b><i>Secured Denominated in :</i></b>   |                      |
| Ringgit Malaysia                         | 16,316               |
| GBP (GBP 2,950,000)                      | 20,480               |
| RMB (RMB 60,000,000)                     | 27,084               |
| Rand (ZAR 8,232,000)                     | 4,008                |
|  | 67,888               |
| <b><i>Unsecured Denominated in :</i></b> |                      |
| Ringgit Malaysia                         | 4,064                |
|  | 71,952               |
| <b><u>Long term borrowings</u></b>       |                      |
| <b><i>Secured Denominated in :</i></b>   |                      |
| Ringgit Malaysia                         | 28,769               |
| Rand (ZAR 9,005,000)                     | 4,385                |
|  | <u>33,154</u>        |
|  | <u>105,106</u>       |

**B10. Off balance sheet financial instruments**

There was no financial instrument with off balance sheet risk as at 16 August 2007, the latest practical date which is not earlier than 7 days from the date of issue of these financial statements.

**B11. Changes in material litigation**

There was no pending material litigation as at 16 August 2007, the latest practical date which is not earlier than 7 days from the date of issue of these financial statements.

**B12. Dividend**

The Board has declared a interim dividend of 2.0% less income tax of 27% (Financial year ended 31.12.06 : interim dividend of 2.0% less income tax of 28% and final dividend of 3.0% less income tax of 28%) for the financial year ending 31 December 2007. The entitlements to the dividend which were determined on the basis of the record of depositors as at 5 October 2007 will be payable on 31 October 2007. The said dividend has not been included as a liability in these Financial Statements.

**B13. Earnings per share**

|   | <b>Quarter ended</b> |                | <b>Cumulative</b>    |                |
|---|----------------------|----------------|----------------------|----------------|
|   | <b>30 June</b>       |                | <b>quarter ended</b> |                |
|   | <b>2007</b>          | <b>2006</b>    | <b>30 June</b>       | <b>2006</b>    |
| <b>Basic earnings per share</b>   |                      |                |                      |                |
| Profit for the period attributable to ordinary equity holders of the Company                            | 13,656               | 9,403          | 25,098               | 19,362         |
| Weighted average number of ordinary shares in issue ('000)  | 237,797              | 236,000        | 237,797              | 236,000        |
| Basic earnings per share (sen)  | <u>5.74</u>          | <u>3.98</u>    | <u>10.58</u>         | <u>8.20</u>    |
| <b>Diluted earnings per share</b>   |                      |                |                      |                |
| Profit for the period attributable to ordinary equity holders of the Company                            | 13,656               | 9,403          | 25,098               | 19,362         |
| Dilutive effects of outstanding employees' share options  | 43                   | -              | 105                  | -              |
| Diluted earnings  | <u>13,699</u>        | <u>9,403</u>   | <u>25,203</u>        | <u>19,362</u>  |
| Weighted average number of ordinary shares in issue ('000)  | 237,797              | 236,000        | 237,292              | 236,000        |
| Adjustments for share options ('000)  | <u>2,718</u>         | <u>-</u>       | <u>2,718</u>         | <u>-</u>       |
| Weighted average number of ordinary shares used in the calculation of diluted earnings per share ('000) | <u>240,515</u>       | <u>236,000</u> | <u>240,010</u>       | <u>236,000</u> |
| Diluted earnings per share (sen)  | <u>5.70</u>          | <u>N/A</u>     | <u>10.50</u>         | <u>N/A</u>     |

**B14. Significant related party transaction**

There was no significant related party transactions during the current quarter and six months ended 30 June 2007.

**BY ORDER OF THE BOARD**

**Yong Lai Sim**  
**Ghee Yoke Ping**  
Secretaries

Kuala Lumpur  
23 August 2007