



METRONIC GLOBAL BERHAD

(Company No.: 632068-V)

(Incorporated in Malaysia under the Companies Act, 1965)

INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

31 MARCH 2006

METRONIC GLOBAL BERHAD (632068-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2006
(The figures have not been audited)

	Note	Individual quarter		Cumulative quarter	
		31.03.2006	31.03.2005	31.03.2006	31.03.2005
		RM	RM	RM	RM
Revenue		25,380,416	21,006,539	25,380,416	21,006,539
Cost of sales		<u>(20,336,295)</u>	<u>(14,813,621)</u>	<u>(20,336,295)</u>	<u>(14,813,621)</u>
Gross profit		5,044,121	6,192,918	5,044,121	6,192,918
Other operating income		52,950	52,400	52,950	52,400
Administration Expenses		(517,396)	(300,383)	(517,396)	(300,383)
Operating expenses		(1,726,646)	(2,898,354)	(1,726,646)	(2,898,354)
Finance costs		(27,275)	(3,836)	(27,275)	(3,836)
Interest income		<u>16,165</u>	<u>56,213</u>	<u>16,165</u>	<u>56,213</u>
Profit before tax		2,841,919	3,098,958	2,841,919	3,098,958
Taxation	21	<u>(882,611)</u>	<u>(1,009,200)</u>	<u>(882,611)</u>	<u>(1,009,200)</u>
Net profit for the period		<u>1,959,308</u>	<u>2,089,758</u>	<u>1,959,308</u>	<u>2,089,758</u>
Earnings per share (sen)					
Basic		0.69	0.74	0.69	0.74
Diluted		0.69	0.74	0.69	0.74

The condensed consolidated income statements should be read in conjunction with the annual financial statements for the period ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

METRONIC GLOBAL BERHAD (632068-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2006

(The figures have not been audited)

	Note	As at 31.03.2006 RM	(Audited) As at 31.12.2005 RM (restated)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment		11,156,008	12,368,878
Investment properties		399,750	-
Intangible assets		444,632	479,755
Other investments		525,045	414,149
Development costs		527,919	458,179
Deferred tax assets		1,332,000	1,341,000
		<u>14,385,354</u>	<u>15,061,961</u>
CURRENT ASSETS			
Inventories		5,407,527	5,386,059
Trade receivables		77,226,373	68,274,772
Other receivables		1,157,908	1,656,177
Non-current assets held for sale		252,175	-
Short term deposits		5,946,546	6,112,856
Cash & bank balances		6,293,643	5,243,920
		<u>96,284,172</u>	<u>86,673,784</u>
TOTAL ASSETS		<u><u>110,669,526</u></u>	<u><u>101,735,745</u></u>
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Share capital		28,354,000	28,354,000
Share premium		6,406,222	6,406,222
Exchange reserve		(2,060)	83,729
Retained profits		19,728,062	18,108,159
		<u>54,486,224</u>	<u>52,952,110</u>
Minority interest		-	-
TOTAL EQUITY		<u><u>54,486,224</u></u>	<u><u>52,952,110</u></u>
CURRENT LIABILITIES			
Trade payables		49,197,904	39,835,089
Other payables		3,909,210	4,658,728
Bank borrowings	25	1,703,000	3,108,818
Provision for taxation		1,373,188	1,181,000
TOTAL LIABILITIES		<u><u>56,183,302</u></u>	<u><u>48,783,635</u></u>
TOTAL EQUITY AND LIABILITIES		<u><u>110,669,526</u></u>	<u><u>101,735,745</u></u>

The condensed consolidated balance sheet should be read in conjunction with the annual financial statements for the period ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

METRONIC GLOBAL BERHAD (632068-V)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2006**

(The figures have not been audited)

	Note	Share Capital RM	Share Premium RM	Exchange Reserve RM	(Accumulated Loss)/ Retained profits RM	Total RM
As at 1 January 2005		28,354,000	6,406,222	-	10,083,699	44,843,921
Net profit for the period		-	-	-	2,089,758	2,089,758
As at 31 March 2005		<u>28,354,000</u>	<u>6,406,222</u>	<u>-</u>	<u>12,173,457</u>	<u>46,933,679</u>
As at 1 January 2006		28,354,000	6,406,222	83,729	18,108,159	52,952,110
Effect of adopting FRS 140					(339,405)	(339,405)
		<u>28,354,000</u>	<u>6,406,222</u>	<u>83,729</u>	<u>17,768,754</u>	<u>52,612,705</u>
Currency translation differences		-	-	(85,789)	-	(85,789)
Net profit for the period		-	-	-	1,959,308	1,959,308
As at 31 March 2006		<u>28,354,000</u>	<u>6,406,222</u>	<u>(2,060)</u>	<u>19,728,062</u>	<u>54,486,224</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the annual financial statements for the period ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

METRONIC GLOBAL BERHAD (632068-V)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2006**

(The figures have not been audited)

	3 months ended	
	31.03.2006	31.03.2005
	RM	RM
Cash flows from operating activities	2,328,510	3,691,391
Cash flows from investing activities	(35,695)	(1,912,751)
Cash flows from financing activities	<u>269,226</u>	<u>144,661</u>
Net change in cash and cash equivalents	2,562,041	1,923,301
Cash and cash equivalents at beginning of the period	3,731,602	11,637,294
Cash and cash equivalents at end of the period	<u><u>6,293,643</u></u>	<u><u>13,560,595</u></u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the period ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

METRONIC GLOBAL BERHAD (632068-V)
(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED
31 MARCH 2006 PURSUANT TO FRS 134**

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and Chapter 7 Part VI of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the MESDAQ Market.

The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2005. These explanatory notes attached to the interim financial statements 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 year ended 31 December 2005.

2. Changes in accounting policies

The significant accounting policies adopted in the interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2005 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2006:

FRS 3	Business Combinations
FRS 5	Non-Current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Properties

The adoption of the above FRS does not have significant financial impact on the group for the current quarter under review except for the following:

(a) FRS 5: Non-Current Assets Held for Sale and Discontinued Operations

The adoption of FRS 5 requires a non-current asset to be classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. These assets may be a component of an entity, a disposal group or an individual non-current asset. Non current asset held for sale is measured at the lower of its carrying amount and fair value less costs to sell.

The Group has applied FRS 5 prospectively since 1 January 2006, which has resulted in a change in accounting policy whereby the carrying amount of a building is reclassified from property, plant and equipment to non-current asset held for sale.

2. Changes in accounting policies (cont'd)

(b) FRS 101: Presentation of financial statements

The current period's presentation of the Group's financial statements is based on the revised requirement of FRS 101, with the comparatives restated to conform with the current period's presentation.

(c) FRS 138: Intangible assets

The adoption of this new FRS has resulted in a change in accounting policy for certain acquired computer software and licenses whereby computer software and licenses that are not integral part of the related hardware are treated as intangible assets. Such intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is provided for on a straight-line basis over the estimated useful life of the intangible assets.

(d) FRS 140: Investment property

The adoption of this new FRS has resulted in a change in accounting policy for investment properties. Properties held for capital gain or rental purposes are reclassified from property, plant and equipment to investment properties. Investment properties are now stated at fair value, representing open-market value. Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the period in which they arise. Prior to 1 January 2006, investment properties were carried at cost and depreciated on a straight-line basis over its estimated useful life. In accordance with the transitional provisions of FRS 140, this change in accounting policy is applied prospectively and the comparatives as at 31 December 2005 are not restated. Instead, the changes have been accounted for by restating the following opening balance in the balance sheet as at 1 January 2006:

	As at 1.1.2006
Decrease in retained earnings	(339,405)

3. Comparatives

The following amounts as at 31 December 2005 have been reclassified as follows:

	Previously stated	Reclassification	Restated
Property, plant and equipment	12,848,633	(479,755)	12,368,878
Intangible asset	-	479,755	479,755

4. Qualification of audit report of the preceding annual financial statements

The audit report of the Group's annual financial statements for the year ended 31 December 2005 was not subject to any qualification.

5. Seasonality or cyclicity of interim operations

The Group's interim operations are not materially affected by seasonal or cyclical factors during the quarter under review.

6. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter under review.

7. Material changes in estimates

There were no changes in estimates that have had a material effect for the current quarter's results.

8. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities for the quarter under review.

9. Dividends

The Directors have proposed a final dividend in respect of the financial year ended 31 December 2005, of 3% less 28% income tax on 283,540,000 ordinary shares, amounting to RM612,447, subject to shareholders' approval at the forthcoming Annual General Meeting. The financial statements for the financial year ended 31 December 2005 do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be paid by the company on 28 July 2006 to all holders of ordinary shares where names appeared in the Record of Depositors at the close of business on 6 July 2006 and accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2006.

10. Segmental information

Segmental information is not presented during the quarter under review as the Group's overseas subsidiaries have not generated any revenue.

11. Valuations of property, plant & equipment

The Group did not carry out any valuation on its property, plant and equipment for the current quarter under review.

12. Material subsequent events

Save as disclosed in Note 24(a)(ii) and (iii) and below, there were no material events subsequent to the end of the current quarter:

On 14 April 2006, the Company signed a Joint Venture cum Shareholders' Agreement with iCare Health Services Pte Ltd to co-operate and collaborate on health care services via a joint venture company known as Metronic iCares Sdn Bhd (formerly known as Success Knowledge Sdn Bhd) ("MiCares") which was incorporated on 20 March 2006. The Company currently holds 51% equity interest in MiCares via an acquisition of 1 ordinary shares of RM1 each in MiCares ("MiCares Shares") for a cash consideration of RM1, and a subscription of 50 new MiCares Shares for a cash consideration of RM50.

13. Changes in the composition of the Group

Save as disclosed in Note 12, 24(a)(ii) and (iii), there were no changes in the composition of the Group during the current quarter under review.

14. Changes in contingent liabilities and contingent assets

There were no changes in the contingent liabilities and contingent assets since the last balance sheet as at 31 December 2005.

15. Capital commitments

The amount of capital commitments not provided for in the interim financial statements as at 31 March 2006 is as follows:-

	31.03.2006 RM
Approved and contracted for	
- Investment in unquoted shares, outside Malaysia	774,900
Approved and contracted for	
- Research and development expenditure	464,102

16. Significant related party transactions

Significant related party transactions of the Group for the quarter ended 31 March 2006 are as follows:

	3 months ended 31.03.2006 RM
Accounting fee receivable from Metronic Corporation Sdn Bhd ("MCSB"), a substantial shareholder of the Company	15,000
Rental receivable from MCSB	3,000
Accounting fee receivable from Meditechnique Sdn Bhd ("Meditechnique"), a company in which a director has interest	6,000
Rental receivable from Meditechnique	6,000
Purchases from ITG Worldwide (M) Sdn Bhd, a company in which a director has interest	42,854
Contract and maintenance revenue receivable from MH Projects Sdn Bhd ("MHP"), a common director related company	19,622,939
Subcontractor fee payable to Ledtronic Sdn Bhd, a common director related company	22,057
Subcontractor fee payable to Integrated Commerce (M) Sdn Bhd, a common director related company	14,475

The Directors of the Company are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

METRONIC GLOBAL BERHAD (632068-V)
(Incorporated in Malaysia)

**ADDITIONAL INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA
SECURITIES BERHAD FOR THE MESDAQ MARKET**

17. Performance Review

The Group recorded a revenue of RM25,380,416 for the current quarter under review, which is RM4,373,877 or 21% higher than the corresponding figure of RM21,006,539 for the previous financial year, mainly due to higher value of progress claim certificates received for the jobs completed as well as higher maintenance and service income.

However, the profit before taxation for the current quarter under review of RM2,841,919 is RM257,039 or 8% lower compared with the corresponding figure of RM3,098,958 for the previous financial year, in spite of the increase in revenue and a decrease in operating costs. The decrease in profit before taxation was mainly due to the fact that the jobs completed during the current quarter under review are mostly with lower gross profit margin.

18. Material changes in profit before taxation for the current quarter as compared with the preceding quarter

The Group's profit before tax for the current quarter ended 31 March 2006 of RM2,841,919 represents a drop of RM2,128,334 or 43% from the preceding quarter ended 31 December 2005 of RM4,970,253. This is in line with the lower revenue recorded during the current quarter under review and the fact that most of the jobs completed are with lower profit margins as compared to the preceding quarter.

19. Current year prospects

The Group's major projects, such as e-Project Management of Mechanical and Electrical works and e-Project Management of Supply of Medical & Non-Medical Equipment for Hospital Alor Setar are expected to be completed during the 3rd quarter of 2006. The overseas projects in China and India are anticipated to commence and generate revenue for the Group during the current year.

The Group will continue embarking on its geographical expansion and product diversification strategies and improvement of operational efficiency. Barring any unforeseen circumstances, the Directors are of the opinion that the Group should be able to maintain its performance in accordance to expectations for the remaining quarters of the financial year ending 31 December 2006.

20. Profit forecast or profit guarantee

Not applicable as no profit forecast was published by the Group.

21. Taxation

	3 months ended 31.03.2006 RM
Income tax expense:	
Malaysian income tax	873,611
Deferred tax expense	9,000
	<u>882,611</u>

The effective tax rate for the financial year ended 31 March 2006 presented above is higher than the statutory tax rate principally due to certain expenses which are not deductible for tax purposes.

22. Sale of unquoted investments and properties

There were no sale of unquoted investments and properties for the current quarter under review.

23. Marketable securities

(a) Investments in quoted securities as at 31 March 2006 are as follows:

	As at 31.03.2006 RM
At cost	1,189,166
At carrying value	431,046
At market value	<u>431,046</u>

24. Corporate proposals

(a) Status of corporate proposals

The following are the corporate proposals announced but not completed as at the date of this announcement:

(i) Acquisition of a foreign subsidiary

Pursuant to the Memorandum of Understanding dated 7 March 2003 and the disclosure in the Company's Prospectus dated 30 April 2004, Metronic Engineering Sdn Bhd ("MESB"), a wholly-owned subsidiary of the Company, had, on 13 July 2004, entered into a conditional Acquisition of Shares and Shareholders Agreement ("the Agreement") with Infocon Holdings (S) Pte Ltd ("ISPL") whereby MESB agreed to purchase 51% of shares in Infocon (Beijing) Environment Control Technology Company Limited ("IBEC"), a subsidiary of ISPL for a cash consideration of USD300,000. Approval from Bank Negara Malaysia under ECM 9 had been obtained on 23 July 2004.

A proposal had been submitted to ISPL proposing variations to certain terms and conditions of the Agreement. As at the date of this announcement, the acquisition is pending finalisation of the terms and conditions of the Agreement.

(ii) Acquisition of an associate company

On 14 April 2006, the Company announced that it has, on even date, written to the shareholders of Ariantec Sdn Bhd ("ASB") to confirm its interest to acquire 200,000 ordinary shares of RM1.00 each in ASB representing 40% of the existing issued and paid-up share capital of ASB from the current shareholders ("Vendor")("the Offer")("Proposed Acquisition of ASB"). The Vendors have on even date accepted the Offer. The principal business activity of ASB is the provision of turnkey solutions on network infrastructure and security management.

As at the date of this announcement, the acquisition is pending the following: (i) completion of financial and legal due diligence on ASB to the Company's satisfaction and, in the event that the Company does not wish to proceed with the Proposed Acquisition of ASB after or during the due diligence process, the Company has the absolute right not to provide any reason for its dissatisfaction; (ii) terms and conditions of the sale and purchase agreement for the proposed acquisition of ASB being mutually agreed by and between the Vendors and the Company; and (iii) final approval of the Board of Directors of the Company and ASB respectively.

24. Corporate proposals (cont'd)

(a) Status of corporate proposals (cont'd)

(iii) Setting up of a joint venture company

On 18 May 2006, the Company announced that it has, on 17 May 2005, entered into a binding Heads of Agreement with FEELingK Co., Ltd ("FEELingK") to set up a joint venture company, to be named as FEELingK Malaysia Sdn Bhd ("the JVC") with the primary objective of deploying Card Notification Solution, Bulk Short Message Services, Voice SMS and the related consultancy, implementation and operations in Malaysia, Pakistan, India, United Arab Emirates, Saudi Arabia, Qatar, Australia, New Zealand and any other countries to be mutually agreed by the Company and FEELingK. FEELingK is principally involved in the provision of mobile internet solutions.

As at the date of this announcement, the JVC is in the midst of being set up.

(b) Status of utilisation of proceeds

As at the date of this announcement, the proceeds arising from the public issue of 71,000,000 new ordinary shares of 10 sen each pursuant to the listing of the Company on the MESDAQ Market of Bursa Securities amounting to RM14.91 million have been utilised as follows:

Purpose of proceeds	Proposed	Amount	Balance
	Utilisation	Utilised	
	RM	RM	RM
Repayment of bank borrowings	5,000,000	5,000,000	-
Capital expenditure for office expansion	2,600,000	2,600,000	-
R&D expenditure	3,000,000	527,919	2,472,081
Working capital	3,110,000	3,110,000	-
Estimated listing expenses	1,200,000	1,200,000	-
	<u>14,910,000</u>	<u>12,437,919</u>	<u>2,472,081</u>

25. Borrowings and debt securities

The Group's total borrowings, all of which were secured and were denominated in Ringgit Malaysia as at 31 March 2006 were as follows:-

	Short term	Long term	Total
	RM	RM	RM
Bankers' acceptances and trust receipts	<u>1,703,000</u>	-	<u>1,703,000</u>

26. Off Balance Sheet financial instruments

The Group had not entered into any contracts involving off balance sheet financial instruments as at the date of this announcement.

27. Changes in material litigation

There were no changes in material litigation, including the status of pending material litigation since the last annual balance sheet date of 31 December 2005, except as disclosed below:

- (a) MESB had on 26 September 2003 vide Civil Suit No MT3-22-833-2003 made a claim against United Engineers (Malaysia) Bhd ("UEM") for RM939,365.14 being the non-settlement of the third payment for the provision of BAS Control System for Telekom Malaysia Berhad Headquarters Project pursuant to an agreement between MESB and UEM dated 2 May 2002. The Defendant had filed its defence on 16 January 2004. MESB had filed its reply to the defence on 29 January 2004. The suit came up for 1st Pre-Trial Case Management on 1 February 2005. On 17 January 2006, UEM's application to determine the suit by way of a Question of Law had been dismissed by the High Court of Shah Alam. The Judge was not satisfied with the argument of UEM's solicitors and ordered the suit to be heard in Open Court. The next Case Management date has been fixed on 30 August 2006 and a trial date will be fixed then. The Board of Directors of the Company is of the view that prospects for recovery of the said debt is very good.
- (b) Further to the letter of demand as disclosed during the quarter ended 31 March 2005, MESB had, through its solicitors served a Section 218 Notice dated 21 June 2005 on Ireka Engineering & Construction Sdn Bhd ("Ireka") for the outstanding sum of RM1,533,676.74 for the provision of Building Security System – Card Access & Management System ("BSS-CAMS") for the General Office Area and Common Facilities of Government Buildings at Lot 4G3 & 4G4, Precinct 4 (Phase 2) at the Federal Government administrative Centre in Putrajaya. After the discussions between both parties which were carried out on 24 June 2005 and 29 June 2005, Ireka agreed to settle the outstanding sum of RM2,528,777.39 for the provision of both BSS-CAMS and Building Control System ("BCS") by issuing MESB nine (9) post dated cheques each over a period of nine (9) months. As at the date of this announcement, all the nine (9) post dated cheques have been cleared.
- (c) Lee Bee Leng & two (2) others vs (1) MESB and (2) University Teknologi Petronas. On 15 November 2005, MESB, being the first (1st) defendant was served with a Writ of Summons dated 24 October 2005 by Lee Bee Leng & two (2) others ("Plaintiffs") claiming for among others general damages amounting to RM500,000.00 or to be taxed by the court ("Negligence Claim") and special damages amounting to RM403,550.00 ("Dependency Claim") due to the death of the 1st Plaintiff's husband and 2nd & 3rd Plaintiff's father. The maximum exposure to liabilities of MESB and University Teknologi Petronas is therefore estimated at RM903,550.00. The Plaintiffs claimed that the death was caused by the alleged negligence of MESB and University Teknologi Petronas. A Statement of Defence was filed with the High Court of Malaysia in Ipoh on 11 January 2006 by MESB's solicitors, Messrs. Liow & Co. A reply to the Statement of Defence was dated 10 February 2006. On 8 May 2006, MESB's solicitors received via fax from the Plaintiffs' solicitors an application for abridgement of time to file suit on the Dependency Claim. The Hearing date is fixed on 26 May 2006. MESB's solicitors are of the view that MESB may be able to resist the Dependency Claim successfully by virtue of the fact that the claim is beyond the legitimate timeframe, which is three (3) years ("Defence of Limitation"). However, for the Negligence Claim, (or if the Defence of Limitation is unsuccessful on the Dependency Claim), the success of MESB's defence against the Plaintiffs' claim would very much depend on the availability and strength of the witnesses' testimonies and importantly whether the Plaintiffs would be able to discharge their burden of prove on the balance of probabilities. MESB's handicap may be the issue of locating relevant witnesses. However, if MESB is able to locate witness(es) for the trial who is able to contradict the Plaintiffs or give a credible version of the events, MESB may have a arguable case against the Plaintiffs. In any event MESB has instructed Liow & Co. to vigorously defend this matter.

28. Dividends

No dividend is declared in respect of the quarter under review.

The Directors have proposed a final dividend in respect of the financial year ended 31 December 2005, of 3% less 28% income tax on 283,540,000 ordinary shares, amounting to RM612,447, subject to shareholders' approval at the forthcoming Annual General Meeting. The financial statements for the financial year ended 31 December 2005 do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be paid by the company on 28 July 2006 to all holders of ordinary shares where names appeared in the Record of Depositors at the close of business on 6 July 2006 and accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2006.

29. Earnings per share

	3 months ended 31.03.2006
Net profit (RM)	1,959,308
Weighted average number of ordinary shares in issue	283,540,000
Earnings per share (sen)	
- Basic	0.69
- Diluted	0.69

30. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 May 2006.