

SELECTED EXPLANATORY NOTES
Pursuant to MASB 26

1. Accounting Policies and Methods of Computation

The interim financial report has been prepared in accordance with MASB 26 – Interim Financial Reporting and Chapter 9 part K of the Listing Requirement of Bursa Malaysia Securities Berhad. The same accounting policies and methods of computation are followed in the interim financial statements as compared with the annual financial statements for the year ended 30 June 2005.

2. Audit Report

The auditors' report of the Company's annual financial statements of 30 June 2005 was not subject to any qualification.

3. Seasonality or Cyclicalities

The operations of the Group are not subject to any seasonality or cyclicalities factors.

4. Unusual Items

There have been no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group.

5. Changes In Estimates of Amount Reported Previously Affecting Current Interim Period

There are no changes in estimates of amount reported in prior financial years, which have a material effect in the current interim period.

6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities.

7. Dividends

Dividends were neither paid nor proposed during the current interim financial period.

8. Segmental Reporting

No segmental reporting has been prepared as the Group's activities are predominantly in the telecommunications industry in Malaysia.

9. Valuations of Property, Plant and Equipment

Valuations of property, plant and equipment have been brought forward, without amendment from the previous financial statements.

10. Subsequent Events

Pursuant to paragraph 2.1 of the amended PN17 ("Amended PN 17") under the Listing Requirement of Bursa Securities ("LR"), which is effective from 5 May 2006, the Board of Directors of FCW wishes to announce that based on the unaudited quarterly results of FCW and its subsidiaries ("FCW Group") for the financial period ended 31 December 2005 as announced on 28 February 2006, the Company's shareholders' equity on a consolidated basis amounting to RM26.954 million against its issued and paid-up capital of RM139.330 million is 19.35%, which is less than the minimum of 25%.

As such, FCW is an affected listed issuer pursuant to paragraph 2.1(a) of the Amended PN17 and Paragraph 8.14C of the LR.

Pursuant to the Amended PN17, FCW is required to submit a Regularisation Plan ("RP") to the relevant authorities for approval or, where the relevant authorities' approvals are not required, obtain all other approvals necessary for the implementation of the RP within 8 months from the date of this First Announcement ("Submission Timeframe").

In accordance with paragraph 8.14C(4) of the LR, an affected listed issuer which fails to comply with the obligation to regularise shall have all its listed securities suspended from trading on the 5th market day after expiry of the Submission Timeframe or such implementation timeframe imposed by either the relevant authorities or Bursa Securities, as the case may be, and de-listing procedures shall be commenced against the affected listed issue.

The Board of Directors of FCW will work on formulating a suitable RP to address its condition as stated above. An announcement detailing the RP will be announced to Bursa Securities in due course.

11. Effect of Changes In The Composition of The Group

There has been no change in the composition of the Group during the interim period under review.

12. Changes In Contingent Liabilities

The changes in contingent liabilities since the last annual balance sheet date are tabulated below:

Bank Guarantee

	RM'000
Balance as at 30 June 2005	1,747
Extended during the period	520
Discharged during the period	(1,726)
Balance as at 11 May 2006	541

13. Capital Commitments

The Group has no capital commitment in respect of property, plant and equipment as at 31 March 2006.

EXPLANATORY NOTES
Pursuant to Appendix 9B of the Listing Requirements of BMSB

1. Review Of Performance

For the current quarter ended 31 March 2006, the Group achieved revenue of RM3.153 million and reported loss of RM0.342 million compared to preceding year corresponding quarter's reported revenue of RM2.971 million and reported profit of RM0.325 million.

2. Material Change In The Profit Before Taxation Compared To The Results Of Immediate Preceding Quarter

The Group generated a loss before tax of RM0.342 million during the quarter under review compared to the immediate preceding quarter's loss before tax of RM0.09 million. Lower loss in the preceding quarter was mainly due to the fulfillment of orders which were previously delayed.

3. Commentary of Prospects

With one quarter remaining before the current financial year ends, efforts are continued to replenish the Group's order books and to expand its current network for the distribution of communication equipment. In the meantime, cost efficiency measures and better utilization of its current resources will be employed to sustain its current level of operations.

4. Financial Forecast/Profit Guarantee

No financial forecast was announced or made hence there was no comparison between actual results and forecast.

5. Tax

The group is not expected to incur any income tax expense for the current period.

Potential tax benefits to be derived from unabsorbed losses was not recognized as deferred asset based on prudence until there is strong evidence indicating that it is probable that future taxable profit can be available for utilization against the unused tax losses.

6. Sale of Unquoted Investments / Properties

There was no sale of unquoted investments or properties during the current interim period under review.

7. Purchase or Disposal of Quoted Securities

a). There was no purchase or disposal of quoted securities during the interim period under review.

b). Investment in quoted shares as at the reporting period :

	RM'000
Quoted in Malaysia, at cost	8
Provision for diminution	(7)
Carrying value	1
Market value	1

8. Corporate Proposal

There was no uncompleted corporate proposal.

9. Group Borrowings and Debt Securities

The Group has no borrowings and it does not issue any debt securities.

10. Off Balance Sheet Financial Instruments

The Group did not undertake any off balance sheet financial instruments arrangement.

11. Material Litigation

There is no pending material litigation.

12. Dividend

The Board does not recommend any payment of dividend in respect of the current interim financial period ended 31 March 2006.

13. Earnings Per Share

	Current Quarter 31-03-06	Preceding Year Quarter 31-03-05	Current Year To Date 31-03-06	Preceding Year To Date 31-03-05
Basic				
Net Profit / (Loss) attributable to shareholders (RM'000)	(264)	(265)	(572)	915
Weighted average number of ordinary shares in issue ('000)	278,660	278,660	278,660	278,660
Basic earnings / (loss) per share (sen)	(0.09)	(0.10)	(0.21)	0.33
Diluted earnings / (loss) per share (sen)	N/A	N/A	N/A	N/A

By Order of the Board

Richard Voon Siew Moon
Group Financial Controller

11 May 2006, Kuala Lumpur