

MOL.COM BERHAD

(Company No. 90314-P)

Date : 25-Aug-04

Subject : **UNAUDITED INTERIM FINANCIAL REPORT FOR THE
PERIOD ENDED 30 JUNE 2004**

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MOL.COM BERHAD

(Company No. 90314-P)

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2004**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING PERIOD	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/6/2004 RM'000	30/6/2003 RM'000	30/6/2004 RM'000	30/6/2003 RM'000
1 (a) Revenue	11,499	36,999	50,474	79,411
(b) Operating Expenses	<u>(13,748)</u>	<u>(41,667)</u>	<u>(54,322)</u>	<u>(88,347)</u>
(c) Profit/(Loss) from Operations	(2,249)	(4,668)	(3,848)	(8,936)
(d) Other Income	1,371	(13,742)	5,574	(10,843)
(e) Finance Cost	(959)	(1,559)	(3,638)	(5,400)
(f) Share of Profit / (Losses) of Associated companies	<u>1,164</u>	<u>1,326</u>	<u>2,792</u>	<u>112</u>
(g) Profit/(Loss) before income tax & minority interests	(673)	(18,643)	880	(25,067)
(h) Income Tax	<u>-</u>	<u>434</u>	<u>(17)</u>	<u>247</u>
(i) Profit / (Loss) after income tax before deducting minority interest	(673)	(18,209)	863	(24,820)
(j) Minority interests	<u>(10)</u>	<u>(167)</u>	<u>(86)</u>	<u>(123)</u>
(k) Net Profit/(Loss) for the period	<u>(683)</u>	<u>(18,376)</u>	<u>777</u>	<u>(24,943)</u>
2 (a) Profit/(Loss) per share based on 1 (k) above				
(i) Basic -Sen	(0.30)	(17.37)	0.34	(23.58)
(ii) Diluted -Sen	(0.30)	(17.37)	0.34	(23.58)
Weighted Average No of Ordinary Shares ['000]	225,757	105,766	225,757	105,766

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report as at 30 June 2003.

MOL.COM BERHAD

CONDENSED CONSOLIDATED BALANCE SHEET - 30 JUNE 2004

	QUARTER ENDED 30-Jun-04 RM'000	AS AT PRECEDING FINANCIAL YEAR END (Audited) 30-Jun-03 RM'000
Property, plant and equipment	46,621	49,805
Investment in Associated Companies	10,343	2,014
Other Investments	633	1,331
Other non current assets	396	1,602
Current Assets		
Inventories	10,834	14,353
Trade Receivables	18,520	23,598
Other Receivables and Prepayments	6,784	11,249
Cash and Bank Balances	2,606	2,528
	38,744	51,728
Current Liabilities		
Short Term borrowings	19,466	24,329
Trade Payables	7,660	12,950
Other Payables and Accruals	19,643	18,296
Taxation	12	298
	46,781	55,873
Net Current Assets/(Liabilities)	(8,037)	(4,145)
	49,956	50,607
Financed By :		
Share Capital	225,757	225,757
Reserve	(199,081)	(199,806)
Shareholders' Funds	26,676	25,951
Hire Purchase and Lease Creditors	189	-
Minority Interests	122	645
Term loans	22,208	23,250
Deferred Taxation	761	761
	49,956	50,607
 Net Tangible Assets Per Share	 0.12	 0.11

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report as at 30 June 2003

MOL.COM BERHAD**Condensed Consolidated Cashflow Statements for the year ended 30 June 2004**

	12 mths ended	
	30-Jun-04 RM'000	30-Jun-03 RM'000
Net Profit/(Loss) before tax	880	(25,067)
Adjustment for non-cash flows:-		
Non-cash items	(3,561)	8,597
Non-operating items	1,259	15,909
Operating loss before changes in working capital	<u>(1,422)</u>	<u>(561)</u>
Changes in working capital		
Net changes in current assets	10,783	10,219
Net changes in current liabilities	(1,180)	(137,264)
Net cashflows used in operating activities	<u>8,181</u>	<u>(127,606)</u>
Investing Activities		
Equity Investments	681	149,776
Other Investments	(171)	(9,743)
Net cash used in investing activities	<u>510</u>	<u>140,033</u>
Financing Activities		
Bank borrowings	(7,767)	(10,835)
Net cash used in financing activities	<u>(7,767)</u>	<u>(10,835)</u>
Net change in cash & cash equivalents	924	1,592
Cash & Cash equivalent at beginning of year	319	(1,273)
Cash & Cash equivalent at end of the period	<u>1,243</u>	<u>319</u>
Cash & Cash Equivalents comprise of:-		
Cash in hand and at bank	2,585	1,322
Deposits with licensed banks	21	1,206
Bank overdrafts	(1,363)	(2,209)
	<u>1,243</u>	<u>319</u>

The Condensed Consolidated Cashflow Statements should be read in conjunction with the Annual Financial Report as at 30 June 2003.

MOL.COM BERHAD

**Condensed Consolidated Statements of Changes in Equity
For the year ended 30 June 2004**

	Share capital RM'000	Reserve Attributable to Capital RM'000	Accumulated Losses RM'000	Total RM'000
Twelve(12) months ended 30/6/2004				
At 1 July 2003				
As previously stated	225,757	52,380	(251,944)	26,193
Prior year adjustments (MASB29)	-	-	(242)	(242)
At 1 July 2003 (restated)	<u>225,757</u>	<u>52,380</u>	<u>(252,186)</u>	<u>25,951</u>
Movement during the period	-	(52)	777	725
At 30 June 2004	<u>225,757</u>	<u>52,328</u>	<u>(251,409)</u>	<u>26,676</u>

**Twelve(12) months ended
30/6/2003**

At 1 July 2002				
As previously stated	75,252	53,717	(227,243)	(98,274)
Movement during the period	150,505	(1,337)	(24,701)	124,467
As 30 June 2003	<u>225,757</u>	<u>52,380</u>	<u>(251,944)</u>	<u>26,193</u>
Prior year adjustments (MASB29)	-	-	(242)	(242)
At 30 June 2003 (restated)	<u>225,757</u>	<u>52,380</u>	<u>(252,186)</u>	<u>25,951</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report as at 30 June 2003.

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1) BASIS OF ACCOUNTING

The interim financial report has been prepared in accordance with MASB26 Interim Financial Reporting and Chapter 9 Part K of the Listing Requirement of Bursa Malaysia Securities Berhad ("Bursa Securities"). The same accounting policies and method of computation used in the preparation of the Group's Annual Audited Report for the financial year ended 30 June 2003 have been applied in the preparation of the current quarter and financial year to-date, except for the adopting of new applicable approved accounting standards which have come into force during this financial year.

The adoption of MASB 29 Employee Benefits has been applied retrospectively and comparatives have been restated in respect of short term accumulated absences as follows:-

	2003 RM'000
(i) Effects on retained earnings	
At 1 July 2002, as previously stated	(251,944)
Effects of changes in accounting policy	(242)
At 30 June 2003, as restated	<u>(252,186)</u>

(ii) Effects on net profit/(loss) before tax for the period:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING PERIOD	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/6/2004 RM'000	30/6/2003 RM'000	30/6/2004 RM'000	30/6/2003 RM'000
Net profit/(loss) before changes in accounting policy	(740)	(18,401)	813	(24,825)
Effects of changes in accounting policy	67	(242)	67	(242)
Net profit/(loss) before taxation for the period	<u>(673)</u>	<u>(18,643)</u>	<u>880</u>	<u>(25,067)</u>

(iii) The comparative amount as at 30 June 2003 has been restated as follows:-

	Previously Stated RM'000	Adjusted RM'000	Restated RM'000
Other Payables	<u>18,054</u>	<u>242</u>	<u>18,296</u>

A2) ANNUAL AUDITED STATEMENT

There were no qualification as to the annual audited report as at 30 June 2003.

A3) SEASONAL OR CYCLICAL FACTORS

The Group's businesses are generally dependent on the economic conditions, in particular the Electrical Products division which is involved in trading of a range of electrical equipment and apparatus where the demand for these products is dependent on the manufacturing and construction industries.

A4) UNUSUAL ITEM

There is no unusual item during the quarter under review.

A5) CHANGES TO PRECEDING PERIOD

There has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operation of the Company and the Group in the current interim period.

A6) DETAILS OF ISSUANCE OR REPAYMENT OF DEBTS AND EQUITY

There were no other issuance and repayment of debts and equity securities, share buy-backs, share cancellations or shares held as treasury for the current quarter and financial year to date under review.

A7) DIVIDEND PAID

There were no payment of dividends for the current quarter under review.

A8) SEGMENTAL INFORMATION

Analysis of the Group's results by activity for the current financial year to date is as follows:-

	<u>Revenue</u> RM'000	<u>Operating Profit/(loss)</u> RM'000
Electrical products	40,238	(241)
Information technology and internet related businesses ("ICT")	10,236	254
Investments and others	-	(3,861)
	<u>50,474</u>	<u>(3,848)</u>

A9) VALUATION OF PROPERTY, PLANT & EQUIPMENT

There were no changes as to the valuation of property, plant and equipment brought forward from the last financial year.

A10) SUBSEQUENT MATERIAL EVENT

In the opinion of the Directors, there has not arisen in the period between the end of this quarter and the date of this announcement, any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operation of the Company and the Group for the quarter ended 30 June 2004 in respect of which this announcement is made.

A11) CHANGES IN THE COMPOSITION OF THE GROUP

During the quarter under review, the Company disposed off its entire 35% equity interest in My2020.com Sdn Bhd.

A12) CONTINGENT LIABILITIES

There has been changes to the contingent liabilities of the Group as compared to its Annual Financial Report as at 30 June 2003 and is reported below:

	30-Jun-04 RM'000	30-Jun-03 RM'000
a) Guarantees given to financial institutions for credit facilities granted to associated companies	<u>1,924</u>	<u>7,684</u>
b) Several Sales and Purchase Agreements for several parcels of land between a subsidiary, Emerald Terrain Sdn Bhd and a third party were terminated in 1998. Maximum exposure to the subsidiary is approximately RM2,050,0000. No provision in the financial statements is made as the directors are of the opinion that the likelihood of the above claim will crystallise is remote.		
c) The Company has on 29 January 2004 received a Writ and Statement of Claim filed by T-Cert, Inc ("Plaintiff") under the High Court of Kuala Lumpur with Civil Suit No. S6-22-2006-2003. The amount claimed is USD1.0 million (equivalent to RM3.8 million) with interest on the USD1.0 million pursuant to Section 11 of the Civil Law Act 1956 and general damages for breach of agreement/promissory note ("the Suit"). The circumstances leading to the filing of the Suit was purportedly premised on a Secured Promissory Note dated 15 September 2000 given by the Company to the Plaintiff pursuant to the Stock Subscription Agreement and Investment Letter dated 15 September 2000 in relation to the proposed subscription by MOL for 80,000 ordinary shares in the Plaintiff for a total consideration of USD1.5 million ("Proposed Subscription"). Details of the Proposed Subscription was announced to the Exchange on 20 September 2000. The Company has invested USD700,000 in the Plaintiff. MOL has instructed its solicitors to file its defence and apply to strike out the Suit. MOL also intends to pursue a counter-claim against the Plaintiff for the return of the USD700,000 invested in them. No provision in the financial statement is made as the solicitors acting for MOL on this matter are of the opinion that MOL has a good defence to the Plaintiff's claim and a good prospect of success in the application to strike out the Plaintiff's claim and the counter claim.		
d) Prosperitet Sarajevo (M) Sdn Bhd ("Sarajevo") has on 6 February 2003 filed a writ of summons against MOL under the Kuala Lumpur High Court, Suit No. S2-22-129-03 for payment of an alleged principal sum of RM8,545,490.41 with damages to be assessed including interest on the judgment sum from the date of writ of summons till date of realisation and costs in respect of two separate contracts both entered into and executed between Sarajevo and Lim Kim Hai Electric (M) Sdn Bhd. Defence has been filed to deny and dispute liability in respect of Sarajevo's claim. No provision in the financial statement is made as the solicitors acting for MOL on this matter are of the opinion that MOL has a good chance to succeed in defending the claim		

A13 CAPITAL COMMITMENT

There were no changes as to the Capital Commitment during the current quarter and financial year to date.

B . ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1) REVIEW OF PERFORMANCE

The Group registered a pre-tax loss of RM0.67 million on a turnover of RM11.50 million for the quarter under review as compared to a pre-tax loss of RM18.64 million on a turnover of RM36.99 million in the preceding year corresponding quarter. The decline in turnover were mainly attributable to lower billings in the Industrial Products Division and the de-consolidation of a subsidiary, which has become an associated company upon listing on the MESDAQ Market of Bursa Securities. The improved results for this quarter was mainly due to better performance by the ICT division. The higher pre-tax loss in the preceding corresponding period was due to provisions for impairment of Investments in subsidiaries and associated companies.

For the financial year ended 30 June 2004, the Group turnover decreased to RM50.47 million from RM79.41 million in the last financial year. Despite the above, the Group registered a pre-tax profit of RM0.88 million as compared to a loss of RM25.07 million in the preceding year. The improved results was mainly due to lower provisions, better performance from the ICT division (including the associated companies) and the reversal of losses previously taken up following the divestment of equity interest in certain loss making ICT subsidiaries.

B2) COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group recorded a pre-tax loss of RM0.67 million on a turnover of RM11.50 million compared to a pre-tax loss of RM0.93 million on a turnover of RM10.26 million in the preceding quarter. Both the Industrial Products and the ICT division registered improved results for the current quarter as compared with the preceding quarter.

B3) CURRENT FINANCIAL YEAR PROSPECTS

The Group will remain focused on improving operational profitability and positive cash flow generation. Barring unforeseen circumstances, the Board expects the current year performance to be better than last year.

B4) VARIANCE OF FORECAST

This is not applicable to the Group.

B5) TAXATION

	Current Quarter 30/6/2004 RM'000	Current Year to date 30/6/2004 RM'000
Current taxation	-	2
Prior year taxation	-	15
Deferred Taxation	-	-
	<u>-</u>	<u>17</u>

The taxation charge for the quarter and financial year to date is principally due to profits made by certain subsidiaries which cannot be set off against losses of the Company and other subsidiaries in the Group as no group relief is available.

B6) SALE OF UNQUOTED INVESTMENT AND PROPERTIES

Save as disclosed below, there has not been any sale of unquoted shares and property for the current quarter and financial year to date:-

- Disposed off 1,098,000 shares of RM1.00 each in Let's Barter Sdn Bhd (formerly known as MOLBarter.com Sdn Bhd) for a nominal amount of RM1.00;
- Disposed off 38,045 ordinary shares of USD1.00 each representing 5% interest in Web Commerce Communications Ltd;
- Disposed off 1,250,000 ordinary shares of RM1.00 each representing 45% interest in Neuratek Sdn Bhd; and
- Disposed off 700,000 ordinary shares of RM1.00 each representing 35% interest in My2020.com Sdn Bhd.

B7) QUOTED SECURITIES

- a) Sale proceeds and loss from disposal of a quoted security in Singapore

	Current quarter & Current year to-date RM'000
Total Purchase Consideration	7,617
Provision for diminution in value of Investment	(6,936)
Carrying value	681
Total Sales Proceed	681
Loss Arising	-

- b) Investment in a quoted security in Malaysia as at 30 June 2004

	Current quarter & Current year to-date RM'000
At cost	1,794
Provision for diminution in value of Investment	(1,794)
Carrying value	-
Market Value	9,044

B8) STATUS OF CORPORATE PROPOSALS

- i) Announcement dated 26 July 2004 in relation to the Sale and Purchase Agreement and Supplemental Agreement both dated 23 July 2004 entered into between STT Eastern Sdn Bhd and Jemaramas Jaya Sdn Bhd for the disposal of a piece of freehold land held under Geran No, 40107, Lot 6119, Mukim Kapar, Daerah Klang, Selangor measuring approximately 20,284.8356 square meter in area together with two (2) factory buildings cum office erected thereon known as Lot 6119, Jalan Haji Salleh, off Jalan Meru, 42200 Klang, Selangor for cash consideration of RM8.2 million ("Kapar Property Disposal"). The Kapar Property Disposal is subject to the approval of the shareholders of MOL which will be sought at an Extraordinary General Meeting ("EGM") to be convened on 8 September 2004.
- ii) Announcement dated 16 April 2004 in relation to the Sale and Purchase Agreement dated 16 April 2004 entered into between MOL and Charming Season Sdn Bhd for the disposal of a piece of freehold land held under H.S. (D) 4633 Lot 4889 in the Mukim of Damansara, Daerah Petaling, Selangor measuring approximately 107,517 sq ft in area together with a three (3) storey office block cum single storey factory and store erected thereon ("Subang Property") for a cash consideration of RM9.8 million ("Subang Property Disposal"). The Subang Property is presently charged to a financial institution ("Chargor") as part of the collateral of securities pledged for a term loan facility. The Subang Property Disposal is subject to the approval of the shareholders of MOL and the Chargor. The Shareholders approval will be sought at the EGM to be convened on 8 September 2004.
- iii) Announcement dated 12 February 2004 in relation to the proposed acquisition of up to 4.43% equity stake of the fully diluted issued share capital of Berjaya Sports Toto Berhad from Tan Sri Dato' Seri Vincent Tan Chee Yioun for a total cash consideration of RM222.76 million ("Proposed Acquisition") to be financed by a proposed renounceable rights issue of 225,756,900 new ordinary shares of RM1.00 each in the Company together with 225,756,900 free detachable warrants at an indicative issue price of RM1.00 per rights share ("Proposed Rights Issue with Warrants"). The relevant applications have been submitted to the Securities Commission ("SC") and is pending approval.

B9) GROUP BORROWINGS FROM FINANCIAL INSTITUTIONS

Group borrowings as at 30 June 2004 are as follows:-

	Short Term borrowings RM'000	Long Term borrowings RM'000	HP Creditors RM'000	Total borrowings RM'000
Secured	12,967	21,650	225	34,842
Unsecured	6,463	558	-	7,021
Total	<u>19,430</u>	<u>22,208</u>	<u>225</u>	<u>41,863</u>

B10) FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK

There were no financial instruments with off Balance Sheet risk as at the date of this announcement.

B11) MATERIAL LITIGATION

Save as disclosed below, the MOL Group is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the MOL Group or of any facts likely to give rise to any proceedings which might materially affect the position or business of the MOL Group.

- a) Due to the termination of several sales and purchase agreements between MOL's subsidiary Emerald Terrain Sdn Bhd ("Emerald") and Fairlane Construction (M) Sdn Bhd, there may be a potential liquidated damages claim against Emerald for a compensation of approximately RM2,050,000. The agreements entered into on 15 May 1997 were for the purchase of five plots of land located within Mukim of Bentong, held under titles CT2674 Lot 3176, CT2604 Lot 3187, CT2606 Lot 3185, CT2605 Lot 3188 and CT2576 Lot 3717, for the total purchase consideration of RM20,500,006.67. No provision is made at this juncture as the Directors of MOL are of the opinion that the likelihood that the above claim will crystallise is remote.

- b) Pursuant to a Share Sale Agreement and a Promissory Note both dated 28 March 2002, Steel Circle Industries Sdn Bhd ("SCI") (formerly known as Dijaya Metal Industries Sdn Bhd) has agreed to pay MOL a sum of RM1,206,936.00 in twelve (12) monthly instalments of RM100,578.00 each month commencing 28 April 2002. SCI has failed to make any payment to MOL since the second instalment which was due on 28 May 2002, despite many timely reminders from MOL and as such, is in breach of the provisions of the said Share Sale Agreement and the Promissory Note. MOL is currently claiming the entire outstanding balance sum of RM1,005,780.00 from SCI pursuant to Clause 12.1 (a)(11) of the Share Sale Agreement. In a separate Guarantee and Indemnity Agreement dated 28 March 2002 entered into between Tan Poh Chuan (i.e. the Guarantor) and MOL (i.e. the Guarantee), the Guarantor has unconditionally and irrevocably guaranteed to pay MOL all indebtedness due from SCI to MOL pursuant to the aforesaid Share Sale Agreement and the Promissory Note. At present, MOL has filed a summon on 11 February 2003 and has obtained the sealed copy of the summon on 28 February 2003. The matter is currently under the Kuala Lumpur High Court Suit No. D4-22-222-2003. The court has fixed on 10 June 2004 for submission of application to strike out the MOL claim. Hearing has been postponed to 6 September 2004.

- c) Precicon Sdn Bhd ("Precicon") v Omron Electronics Sdn Bhd (1st Defendant), Autovation Sdn Bhd (2nd Defendant), Looi Wan Teik (3rd Defendant) and RHB Bank Berhad (4th Defendant). This case involves an unlawful termination of a Distributorship Agreement dated 23 December 1997 between Omron Electronics Sdn Bhd (formerly known as Omron Electronics Sales & Service (M) Sdn Bhd) and Precicon, which was subsequently terminated by the 1st Defendant vide a letter dated 28 March 2002. Precicon has alleged that there was a tortuous conspiracy between the 1st Defendant, 2nd Defendant and the 3rd Defendant apart from the contention that there was fraudulent act involved and breach of fiduciary duties committed by the 1st and 3rd Defendants. Subsequently, an interim injunction was granted against the 1st Defendant calling upon the bank guarantee which amounts to RM1,467,000 held by the 4th Defendant; pending hearing and disposal of Precicon's claim against all the Defendants or in the alternative that an injunction be granted against the 1st Defendant from receiving and/or retaining any sum paid pursuant to the said bank guarantee pending the disposal of Precicon's claim. The case has been amicably settled out of court in respect of the 1st defendant.
- d) The Company has on 29 January 2004 received a Writ and Statement of Claim filed by T-Cert, Inc ("Plaintiff") under the High Court of Kuala Lumpur with Civil Suit No. S6-22-2006-2003. The amount claimed is USD1.0 million (equivalent to RM3.8 million) with interest on the USD1.0 million pursuant to Section 11 of the Civil Law Act 1956 and general damages for breach of agreement/promissory note ("the Suit"). The circumstances leading to the filing of the Suit was purportedly premised on a Secured Promissory Note dated 15 September 2000 given by the Company to the Plaintiff pursuant to the Stock Subscription Agreement and Investment Letter dated 15 September 2000 in relation to the proposed subscription by MOL for 80,000 ordinary shares in Plaintiff for a total consideration of USD1.5 million ("Proposed Subscription"). Details of the Proposed Subscription was announced to the Exchange on 20 September 2000. The Company has invested USD700,000 in the Plaintiff. MOL has instructed its solicitors to file its defence and apply to strike out the Suit. MOL also intends to pursue a counter-claim against the Plaintiff for the return of the USD700,000 invested in them. The Court had granted an extension of time for MOL to file our defence until the disposal of the hearing for security for cost which has been postponed to 16 June 2004. MOL has also filed an application to strike out the Plaintiff's claim and the said application was fixed for hearing on 25 May 2004 and was postponed to 8 July 2004 which again has been postponed until further notice.
- e) Prosperitet Sarajevo (M) Sdn Bhd ("Sarajevo") has on 6 February 2003 filed a writ of summons against the Company under the Kuala Lumpur High Court Suit No. S2-22-129-03 for payment of an alleged principal sum of RM8,545,490.41 with damages to be assessed including interest on the judgement sum from the date of writ of summons till date of realisation and costs in respect of two separate contracts both entered into and executed between Sarajevo and Lim Kim Hai Electric (M) Sdn Bhd . Defence has been filed to deny and dispute liability in respect of Sarajevo's claim. Case management was held and a full trial has been fixed for 3 days commencing on 10 January 2005 till 12 January 2005.

B12) DIVIDENDS

The Board of Directors does not recommend the payment of any dividend for the current quarter under review.

B13) EARNINGS PER SHARE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/6/2004	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2003	CURRENT YEAR TO DATE 30/6/2004	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2003
a) Basic earnings per share				
Net Profit/(Loss) for the period (RM'000)	(683)	(18,376)	777	(24,943)
Weighted Average Number of Ordinary Shares in issue ('000)	225,757	105,766	225,757	105,766
Basic Profit/ (Loss) per Share (Sen)	(0.30)	(17.37)	0.34	(23.58)
b) Diluted earnings per share				
Net Profit/(Loss) for the period (RM'000)	(683)	(18,376)	777	(24,943)
Weighted Average Number of Ordinary Shares in issue ('000)	225,757	105,766	225,757	105,766
Adjusted for Share Options ('000)	-	-	-	-
Weighted Average Number of Ordinary Shares for diluted earnings per share ('000)	<u>225,757</u>	<u>105,766</u>	<u>225,757</u>	<u>105,766</u>
Diluted Profit/(Loss) per Share (Sen)	(0.30)	(17.37)	0.34	(23.58)
c.c. Securities Commission				