

**FURQAN BUSINESS ORGANISATION BERHAD ("FBO")
INTERIM REPORT FOR THE PERIOD ENDED 31 MARCH 2010**

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

	As at 31-Mar -2010 RM Unaudited	As at 31-Dec -2009 RM Audited
ASSETS		
Non-Current Assets		
Property, plant and equipment	17,776,336	17,655,861
Investment properties	84,557,000	84,712,000
Prepaid lease payments	7,355,200	7,387,549
Investment in associates	188,261	183,735
Other investments	1,930,953	3,775,953
Land held for development	2,000,000	2,000,000
Lease and hire-purchase receivables	1,000,000	12,500,000
Goodwill arising on consolidation	2,705,712	2,705,712
Total Non-Current Assets	117,513,462	130,920,810
Current Assets		
Property development expenditure	12,168,739	12,085,881
Inventories	7,316,948	7,332,175
Lease and hire-purchase receivables	19,719,180	8,218,424
Trade and other receivables	29,896,384	27,391,423
Tax recoverable	678,248	629,517
Deposits placed with licensed banks	5,491,519	6,536,865
Cash and bank balances	3,032,153	3,716,391
Total Current Assets	78,303,171	65,910,676
Non-current assets held for sale	179,586,406	179,586,406
	257,889,577	245,497,082
TOTAL ASSETS	375,403,039	376,417,892
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	111,667,288	111,667,288
Revaluation reserve	100,590	100,590
Retained profits	24,558,755	26,350,688
Total Equity	136,326,633	138,118,566
Non-Current Liabilities		
Hire-purchase payables	625,935	451,180
Term loans	8,940,380	9,028,558
Deferred tax liabilities	8,729,616	8,734,866
Total Non-Current Liabilities	18,295,931	18,214,604
Current Liabilities		
Trade and other payables	104,436,207	103,242,400
Provisions for liabilities	29,996,107	30,250,444
Hire-purchase payables	285,806	271,547
Term loan instruments	83,353,992	83,400,242
Short term borrowings	177,607	259,869
Term loans	2,010,880	2,140,344
Tax payable	519,876	519,876
Total Current Liabilities	220,780,475	220,084,722
Total Liabilities	239,076,406	238,299,326
TOTAL EQUITY AND LIABILITIES	375,403,039	376,417,892
Net asset per share (sen)	61	62

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

FURQAN BUSINESS ORGANISATION BERHAD ("FBO")
INTERIM REPORT FOR THE PERIOD ENDED 31 MARCH 2010

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended 31-March-2010 RM	3 months ended 31-March-2009 RM	Year-to-date 31-March-2010 RM	Year-to-date 31-March-2009 RM
Continuing Operations				
Revenue	11,981,639	11,509,965	11,981,639	11,509,965
Expenses excluding finance cost	(13,475,027)	(4,340,068)	(13,475,027)	(4,340,068)
Other operating income	<u>320,626</u>	<u>606,405</u>	<u>320,626</u>	<u>606,405</u>
Profit/(Loss) from operations	(1,172,762)	7,776,302	(1,172,762)	7,776,302
Finance cost	(617,247)	(308,321)	(617,247)	(308,321)
Share of profit of associate	<u>4,526</u>	<u>-</u>	<u>4,526</u>	<u>-</u>
Profit/(Loss) before taxation	(1,785,483)	7,467,981	(1,785,483)	7,467,981
Taxation	<u>(6,450)</u>	<u>1,310</u>	<u>(6,450)</u>	<u>1,310</u>
Profit/(Loss) for the period from continuing operations	(1,791,933)	7,469,291	(1,791,933)	7,469,291
Discontinued operations				
Loss from discontinued operations	<u>-</u>	<u>(1,896,599)</u>	<u>-</u>	<u>(1,896,599)</u>
Net profit/(loss) attributable to shareholders	<u>(1,791,933)</u>	<u>5,572,692</u>	<u>(1,791,933)</u>	<u>5,572,692</u>
Earnings/(Loss) per ordinary share attributable to equity holders of the Company (sen)				
- Basic:				
from continuing operations	(0.80)	3.34	(0.80)	3.34
from discontinued operations	<u>-</u>	<u>(0.85)</u>	<u>-</u>	<u>(0.85)</u>
	<u>(0.80)</u>	<u>2.50</u>	<u>(0.80)</u>	<u>2.50</u>
- Diluted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

FURQAN BUSINESS ORGANISATION BERHAD ("FBO")
INTERIM REPORT FOR THE PERIOD ENDED 31 MARCH 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM	Non-distributable Revaluation Reserve RM	Distributable Retained Profits/ (Accumulated Losses) RM	Total RM
At 1 January 2009	446,669,151	100,590	(319,332,306)	127,437,435
Capital reorganisation exercise	(335,001,863)	-	335,001,863	-
Net profit for the period	-	-	5,572,692	5,572,692
At 31 March 2009	111,667,288	100,590	21,242,249	133,010,127
At 1 January 2010	111,667,288	100,590	26,350,688	138,118,566
Net loss for the period	-	-	(1,791,933)	(1,791,933)
At 31 March 2010	111,667,288	100,590	24,558,755	136,326,633

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

FURQAN BUSINESS ORGANISATION BERHAD ("FBO")
INTERIM REPORT FOR THE PERIOD ENDED 31 MARCH 2010

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	3 months ended 31-March-2010 RM	3 months ended 31-March-2009 RM
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit/(Loss) before income tax expense for the period		
- Continuing operations	(1,785,483)	7,467,981
- Discontinued operations	-	(1,896,599)
Adjustments for:		
(Gain)/Loss on disposal of:		
Investment in subsidiaries	-	(65,273,682)
Property, plant and equipment	-	(43,000)
Interest income	(24,762)	(49,930)
Share of results of associate	(4,526)	-
Net loss on fair value adjustment on:		
Non-current assets held for sale	-	6,701,245
Investment properties	155,000	-
Interest expense	617,247	656,664
Impairment loss on:		
Land held for development	-	500,000
Prepaid lease payment	-	124,360
Depreciation of property, plant and equipment	234,191	353,514
Written off:		
Bad debts	55,326	-
Inventories	-	400,000
Allowance for doubtful debts	-	15,192,496
Allowance for diminution in value of other investments	1,845,000	-
Amortisation of prepaid lease payments	32,349	32,348
Unrealised loss on foreign currency exchange	4,685	7,412
Operating Profit/(Loss) Before Working Capital Changes	1,129,027	(35,827,191)
(Increase)/Decrease in:		
Property development expenditure	(82,858)	-
Inventories	15,227	413,868
Lease and hire-purchase receivables	(756)	(11,060,726)
Trade and other receivables	(2,564,972)	(4,554,695)
Increase/(Decrease) in:		
Trade and other payables	861,939	36,134,505
Provision for liabilities	(254,337)	-
Income tax paid	(896,730)	(14,894,239)
Net Operating Cash Flow	(957,161)	(14,926,195)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Additions to property, plant and equipment	(354,666)	(624,652)
Additions to investment in associate	-	(290,000)
Net cash inflow from disposal of subsidiaries	-	19,528,847
Interest received	24,762	49,930
Proceeds from disposal of property, plant and equipment	-	43,000
Net Investing Cash Flow	(329,904)	18,707,125
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Repayment of term loans	(217,642)	(296,234)
Interest paid	(285,379)	(271,923)
Repayment of term loan instruments	(46,250)	(25,000)
Net addition of hire-purchase payables	189,014	275,683
Net Financing Cash Flow	(360,257)	(317,474)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,647,322)	3,463,456
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	9,200,762	5,952,121
CASH AND CASH EQUIVALENTS AT END OF PERIOD	7,553,440	9,415,577
CASH AND CASH EQUIVALENTS AT END OF PERIOD COMPRISE THE FOLLOWING:		
Cash and bank balances	2,830,320	5,215,145
Housing Development Account	201,833	388,849
Deposits placed with licensed banks	5,491,519	4,967,037
Bank overdrafts	(177,607)	(391,110)
	8,346,065	10,179,921
Less : Deposits pledged with licensed bank	(792,625)	(764,344)
	7,553,440	9,415,577

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the

accompanying explanatory notes attached to the interim financial statements.

**FURQAN BUSINESS ORGANISATION BERHAD (“FBO”)
INTERIM REPORT FOR THE PERIOD ENDED 31 MARCH 2010**

EXPLANATORY NOTES

A1 Basis of preparation

This interim report is unaudited and has been prepared in accordance with FRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirement of Bursa Malaysia Securities Berhad and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2009. The 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 financial year ended 31 December 2009.

The significant accounting policies, methods of computation and basis of consolidation applied in the interim financial statements are consistent with those adopted in the Group’s audited financial statements for the financial year ended 31 December 2009.

A2 Audit qualifications

The auditors’ report on the audited annual financial statements for the financial year ended 31 December 2009 was not subject to any qualification.

A3 Seasonality or cyclicity of operation

For the financial period under review, the operations of the Group are not subject to material seasonal or cyclical fluctuations except for Travel and Tour and Hospitality segments.

A4 Changes in the composition of the Group

For the financial period under review, there were no material changes in the composition of the Group, except on 3 May 2010, the Board announced that Rimaflex Sdn Bhd, an indirect wholly owned subsidiary company acquired for 2 ordinary shares of RM1.00 each representing 100% of the issued and paid-up capital of Rimaflex Nominees (Tempatan) Sdn Bhd for a total consideration of RM2.00 only for cash.

A5 Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cashflows because of their nature, size or incidence during the financial period under review.

A6 Changes in estimates

There were no material changes in estimates in the current quarter results.

A7 Debt and equity securities

There were no issuance, repurchase and repayment of debt and equity securities for the financial period under review.

A8 Dividends paid

There was no dividend paid for the financial period under review.

A9 Segmental reporting

The Group's segmental report for the financial period to date is as follows:

	Investment properties	Leasing & financing	Travel & tour	Hospitality	Investment holding	Property development	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Continued operations									
Revenue									
External revenue	1,513	299	4,922	5,248	-	-	-	-	11,982
Inter-segment revenue	-	-	14	-	173	-	-	(187)	-
Total revenue	1,513	299	4,936	5,248	173	-	-	(187)	11,982
Results									
Segment profit/(loss)	(228)	(54)	135	1,401	(2,179)	(295)	-	22	(1,198)
Interest income	-	-	-	-	6	18	-	-	24
Finance cost	(270)	-	(7)	-	(340)	-	-	-	(617)
Share of profit of associate									5
Loss before taxation									(1,786)
Taxation									(6)
Loss for the period									(1,792)

A10 Carrying amount of revalued assets

The carrying value of land and building is based on the valuation incorporated in the annual financial statements for the year ended 31 December 2009 and valuation performed as of date of this report.

A11 Subsequent material event

There were no other material events subsequent to the end of the period that have not been reflected in the financial statements for the period.

A12 Changes in contingent liabilities and contingent assets

Save for disclosures that were made in the audited financial statements for the year ended 31 December 2009, there were no material changes in the contingent liabilities and contingent assets of the Group.

A13 Capital Commitments

During the financial period under review, there were no material capital commitments that the Group had contracted for and approved.

ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BHD'S LISTING REQUIREMENTS

B1 Review of performance

In the current quarter, the Group recorded revenue of RM12 million which approximate the previous year's corresponding quarter. No material variance noted.

B2 Material changes in the profit before taxation

The Group reported loss before tax from continuing operations of RM1.8 million for current quarter compared to profit before tax of RM7.5 million of the preceding year corresponding quarter. The higher profit in the preceding year corresponding quarter was mainly due to exceptional gain arising from disposal of subsidiaries in 2009, which reduced by allowance for doubtful debts and impairment loss on certain assets.

B3 Group prospects

The prospects of the FBO Group hinge on the prospects of property development, hospitality and leasing sectors.

Barring any unforeseen circumstances, the Board expects to continue efforts in achieving better performance for the remaining period of the financial year.

B4 Variance of profit guarantee

(i) Eastern Biscuit Factory Sdn Bhd

The profit guarantee by the vendors of Eastern Biscuit Factory Sdn Bhd ("EBF") was approved by the shareholders on 26 June 2003. The profit guarantee agreements provided that EBF's profit before tax ("PBT") would not be less than RM9.235 million for the financial year ended ("FYE") 31 December 2003, RM14.780 million for the FYE 31 December 2004 and RM18.314 million for the FYE 31 December 2005.

On 23 August 2005, FBO announced that there was a shortfall in the profit guarantee for the FYE 31 December 2004 amounting to RM6.393 million, whereby letters of demand were sent to each of the vendors of EBF, namely Dato' Tan Kok Hwa ("Dato' Tan"), Teong Hoe Holding Sdn. Bhd. ("THSB") and Forad Management Sdn. Bhd. (collectively referred to as "Original Guarantors") on 21 October 2005 to recover the said shortfall. On 8 March 2006, one of the Original Guarantors, namely THSB, had proposed to resolve the said shortfall, in relation to the portions guaranteed by Dato' Tan and THSB only, by transferring a property with a market value of RM4.7 million (valued on an as-is basis of the property) and RM7.0 million (valued on the assumption that a proposed eco-tourism project planned on the said property is approved by the Kelantan State Government) and with forced sale value of RM3.3 million and RM4.8 million, respectively, to EBF. However, the Board did not accept the settlement proposal after taking into consideration that the forced sale values of the property for both valuation bases were insufficient to settle the said shortfall.

The Company had on 16 May 2006, sent a written confirmation to the Original Guarantors seeking their action to address the shortfall for the FYE 31 December 2005 amounting to RM13.859 million.

FBO had on 25 July 2006, requested Universal Trustee Malaysia Berhad ("the Stakeholder") to sell all the shares of the Original Guarantors in FBO that were deposited with the Stakeholder in accordance with the provisions of the Guarantee Agreement ("Security Shares") in the open market to recover part of the shortfall in the Profit Guarantee. On 22 January 2007, the Stakeholder completed the disposal of the Security Shares for total net proceeds of approximately RM1.42 million. The balance of the shortfall in the Profit Guarantee after deducting the proceeds received from the disposal of the Security Shares is approximately RM18.83 million ("Shortfall").

On 4 May 2007, letters of demand were sent to the Original Guarantors for the Shortfall. Thereafter, on 6 July 2007, writs of summons were served on the Original Guarantors to claim the Shortfall. However, as at to-date, the Company has yet to receive any response from Forad in respect of the writs of summons. Therefore, THSB and Dato' Tan ("New Guarantors") have taken the liberty to resolve the matter amicably

with the Company on the settlement of the Shortfall. The Company had announced on 5 December 2008 that the Company and the New Guarantors had on 25 September 2008, recorded a consent order at the Kuala Lumpur High Court based on the terms of a draft settlement agreement.

However, the said settlement agreement could not be concluded after further consideration and deliberation as the said settlement was not in the best interest of FBO and both parties agreed to seek alternative solutions to make good the Shortfall. After due discussions between both parties, the New Guarantors have proposed to settle the Shortfall with a higher profit guarantee amount i.e. the cumulative audited PBT of EBF shall not be less than RM21.66 million for the FYE 31 December 2010 to 2012 whereby the audited PBT of EBF for FYE 31 December 2010 and 2011 shall not be less than RM5.0 million, respectively (“Proposed Variation”).

Pursuant thereto, the Board had on 25 November 2009 announced that FBO and the New Guarantors had on even date entered into the second supplemental agreement to set out the terms and conditions of the Proposed Variation.

On 17 December 2009, the Board announced that the Company will hold an Extraordinary General Meeting (“EGM”) on Monday, 11 January 2010 to table the ordinary resolution on aforesaid proposal for its shareholders’ consideration and approval.

On 11 January 2010, the Board announced that the ordinary resolution as per the Notice of the EGM dated 21 December 2009 have been duly tabled and passed by the shareholders of FBO at the EGM.

(ii) Discover Orient Holidays Sdn Bhd

On 3 March 2006, the vendors of Discover Orient Holidays Sdn Bhd (“DOHSB”) gave a guarantee to the Company that the aggregate profits of DOHSB for three financial years ending 31 December 2008 shall not be less than RM3,000,000 based on audited financial statements and in any event not less than RM500,000 a year, for each year till 31 December 2008.

The Company had on 24 October 2007 entered into a second Supplemental Agreement to add, delete, vary, amend, alter and change the terms and conditions as stipulated in the Share Sale Agreement and the Supplemental Agreement dated 3 March 2006 and 10 July 2006 respectively, of which the commencement date shall be 1 November 2006.

This variation was adopted by the Board in light of the later completion for the acquisition of DOHSB. DOHSB was only effectively a FBO subsidiary in October 2006. The vendors has confirmed that the profits of DOHSB for the guaranteed periods 31 October 2007 and 31 October 2008 were RM169,416 and RM52,171 respectively compare to RM500,000 a year profit guarantee, thus resulting in total shortfall of RM778,413. Whilst the guarantee is on an aggregate basis, the Board has on 27 February 2008 wrote to the guarantors to explain the shortfall.

On 13 May 2009, the Board wrote to the guarantors to submit plan to fulfill the said guarantee upon its expiry.

On 30 July 2009, the guarantors wrote to request to repay the shortfall in equal monthly installments. The Board has accepted the request.

The Board has allowed the guarantors to submit the repayment plan which currently is in the midst of finalisation by the guarantors.

The unaudited profits of DOHSB for the third guaranteed period ended 31st October 2009 was RM755,545/-, which has exceeded the yearly minimum guaranteed profit. On aggregate basis, based on DOHSB unaudited financial statements, the total shortfall is RM2,022,868/-.

B5 Taxation

	3 months ended	3 months ended	Year-to-date	Year-to-date
	31-Mar-10	31-Mar-09	31-Mar-10	31-Mar-09
	RM'000	RM'000	RM'000	RM'000
Tax (expense)/income				
Income tax				
-current year	(12)	(16)	(12)	(16)
-prior year	-	17	-	17
Deferred tax				
-current year	-	-	-	-
-prior year	5	-	5	-
	<u>(7)</u>	<u>1</u>	<u>(7)</u>	<u>1</u>

The tax expense was in respect of Malaysian tax.

B6 Unquoted investments

There were no profits on sale of unquoted investments and properties as there were no disposals during the financial period under review.

B7 Quoted investments

There were no quoted investments acquired or disposed off during the financial period under review. Total quoted investments as at 31 March 2010 are as follows:-

	At Cost	At Book Value	At Market Value
	RM'000	RM'000	RM'000
Other investments			
- Quoted in Malaysia	500	555	555
- Quoted outside Malaysia	5,958	1,376	1,378
Total quoted investments	<u>6,458</u>	<u>1,931</u>	<u>1,933</u>

B8 Status of corporate proposal

There were no corporate proposals announced which is pending completion as at the date of issue of this report.

B9 Group borrowings and debts securities

The Group borrowings, all denominated in Ringgit Malaysia, as at 31 March 2010 are as follows: -

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Current:			
Term loans	65,086	20,279	85,365
Hire-purchase payables	286	-	286
Bank overdraft	178	-	178
	<u>65,550</u>	<u>20,279</u>	<u>85,829</u>
Non-current:			
Term loans	8,940	-	8,940
Hire-purchase payables	626	-	626
	<u>9,566</u>	<u>-</u>	<u>9,566</u>
Total	<u>75,116</u>	<u>20,279</u>	<u>95,395</u>

B10 Off balance sheet financial instruments

The Group does not have any financial instrument with off balance sheet risk at the date of this report except for the extent of the corporate guarantee issued to certain scheme companies in relation to the Guaranteed Secured Term Loan ("GSTL") and promissory notes, pursuant to the Corporate Restructuring Exercise carried out by the Group and corporate guarantee on borrowing facilities obtained by subsidiary companies. Details on the salient features of the GSTL are set out in the annual financial statements for the year ended 31 December 2009.

B11 Changes in material litigation

There were no material litigations for the financial period under review other than the following:

- (i) the Company had on 19 June 2009 received the sealed copy of the Writ of Summons (Malaysia In The High Court In Sabah And Sarawak At Kota Kinabalu, Suit No. K22-106 Of 2009-II) together with the Amended Statement of Claim both dated 19 May 2009 from Sabah Development Bank Berhad ("Plaintiff") for the sum of RM19,299,872.03 as at 3 March 2009 together with interest on the sum of RM16,652,773.22 at the rate of 6% per annum from 4 March 2009 until the date of full payment on the amount owing by a wholly owned subsidiary Austral Amalgamated Bhd. ("the Borrower") for the Revolving Credit Facility Agreement entered with Plaintiff, which the Company is the Corporate Guarantor on the above facility.

The Company had on 5 August 2009 filed a Defence Statement. On 25 September 2009, the Plaintiff filed the Reply and Defence to counter claim. The Company has instructed lawyer to initiate separate action to obtain consequential order(s) from the Court to order the original registered owner Potowin Sdn. Bhd. ("Potowin"), to execute memorandum of transfer.

On 4 December, the Plaintiffs' lawyer served the unsealed Summons in Chamber for application of Summary Judgment (Order 14) against the Company. The Company's lawyer filed an Affidavit In Opposition and a Supplementary Affidavit to enclose a Valuation Report on the land. The Plaintiff has indicated that they will file an Affidavit In Reply to the above. The Court had on 28 January 2010 granted to the Company the Order to enforce Potowin to execute the transfer of the land to AAB and if in the event Potowin is not able to be located, the Deputy Registrar is to sign the transfer documents.

Without prejudice to the pending action in the Kota Kinabalu High Court, the Plaintiff has confirmed to the Company that the redemption sum for the said land is RM25,539,491/- as at 23rd March 2010.

On 26th March 2010, AAB has offered a new buyer to buy the said land for redemption sum of RM25,539,491/- and the new buyer has agreed to purchase the said land on the terms and conditions stipulated in the said letter of offer. The disposal of the said land is in the midst of finalisation as of the date of this report. The Board is of the view that the settlement agreement will be executed by May 2010.

- (ii) the Company had on 24 July 2009 received a copy of the Writ of Summon and Statement of Claims as per Court Order dated 22 June 2009 (Mahkamah Tinggi Malaya di Shah Alam, Guaman No.: MT3-22-668-2006) from the Solicitors for Bank Kerjasama Rakyat Malaysia Berhad ("Plaintiff") for the sum of RM29,765,709.11 as at 24 March 2006 at an interest of 8% per annum from the date of Judgement until the date of full payment on the amount owing by FBO Leasing Sdn Bhd ("Borrower") for the Agreement on Financing Facility entered with the Plaintiff, which the Company is the Corporate Guarantor on the above facility.

The Company had on 29 July 2009 filed to strike out the suit. On 7 August 2009, the Plaintiff's solicitor wrote to inform that the Plaintiff will withdraw the Amended Writ of Summons and Statement of Claims with no costs and with liberty to file afresh. On 20 October 2009, the Company has received a letter from the Company's solicitors informing that the Plaintiff's solicitors had sent a Notice of Discontinuance of the suit against FBO Leasing Sdn. Bhd. and the Company dated 7 September 2009 followed by another letter dated 19 October 2009 that the Notice of Discontinuance had been filed into Court on 28 September 2009. As such the Company has on 20 October 2009 withdrawn the Company's application to strike out the Plaintiff's suit without order as to costs.

Nevertheless, the Group had sent a letter dated 27th August 2009 to the bank proposing a settlement of the liability in the above matter. As of the date of this report, the Group has yet to receive a reply from the said bank.

B12 Dividend

The Directors do not recommend any dividends for the financial period ended 31 March 2010.

B13 Earnings per shares

	3 months ended 31-Mar-2010	3 months ended 31-Mar-2009	Year-to-date 31-Mar-2010	Year-to-date 31-Mar-2009
Profit/(Loss) attributable to equity holders of the Company (RM'000)				
- from continuing operation	(1,792)	7,469	(1,792)	7,469
- from discontinued operation	-	(1,896)	-	(1,896)
	<u>(1,792)</u>	<u>5,573</u>	<u>(1,792)</u>	<u>5,573</u>
Number of ordinary share in issue ('000)	223,335	22	223,335	223,335
Earnings/(Loss) per ordinary share				
- Basic:				
- from continuing operation	(0.80)	3.34	(0.80)	3.34
- from discontinued operation	-	(0.85)	-	(0.85)
	<u>(0.80)</u>	<u>2.49</u>	<u>(0.80)</u>	<u>2.49</u>
- Diluted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>