

**DOMINANT ENTERPRISE BERHAD**  
**(Company No.221206-D)**

**CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED)**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2008**

	<u>FYE2009</u>	<u>FYE2008</u>	<u>FYE2009</u>	<u>FYE2008</u>
	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 30.06.2008	Preceding Year Corresponding Quarter Ended 30.06.2007	Current Year To Date Ended 30.06.2008	Preceding Year Corresponding Quarter Ended 30.06.2007
	RM'000	RM'000	RM'000	RM'000
Revenue	93,750	66,784	93,750	66,784
Profit from Operations	6,125	4,439	6,125	4,439
Finance Costs	(803)	(603)	(803)	(603)
Investment Income	57	33	57	33
Profit Before Tax	5,379	3,869	5,379	3,869
Income Tax Expense	(1,168)	(728)	(1,168)	(728)
Profit After Tax	4,211	3,141	4,211	3,141
Attributable to :				
Equity holders of the parent	4,133	3,073	4,133	3,073
Minority Interest	78	68	78	68
	4,211	3,141	4,211	3,141
Earning Per Share				
- Basic (sen)	3.33	2.51	3.33	2.51
- Diluted (sen)	3.28	2.42	3.28	2.42

**The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2008 and the accompanying explanatory notes to the interim financial reports.**

**DOMINANT ENTERPRISE BERHAD**  
**(Company No.221206-D)**  
**CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)**  
**AS AT 30 JUNE 2008**

	As At 30 June 2008 RM'000	As At 31 March 2008 RM'000
<b>ASSETS</b>		
<b><u>Non-Current Assets</u></b>		
Property, plant and equipment	38,155	37,288
Prepaid land lease payments	6,007	5,947
Goodwill	837	837
	<u>44,999</u>	<u>44,072</u>
<b><u>Current Assets</u></b>		
Inventories	59,258	54,193
Trade receivables	76,695	68,180
Other receivables and prepaid expenses	1,946	2,332
Cash and bank balances	12,407	9,870
	<u>150,306</u>	<u>134,575</u>
Asset held for sale	155	285
	<u>150,461</u>	<u>134,860</u>
<b>TOTAL ASSETS</b>	<b><u>195,460</u></b>	<b><u>178,932</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b><u>Equity Attributable To Equitable Holders Of The Parent</u></b>		
Issued capital	62,002	62,002
Treasury shares	(914)	(914)
Share premium	195	195
Other reserves	6,243	5,517
Retained Earning	30,331	26,198
	<u>97,857</u>	<u>92,998</u>
Minority Interest	1,099	1,021
<b>Total Equity</b>	<b><u>98,956</u></b>	<b><u>94,019</u></b>
<b><u>Non-Current Liabilities</u></b>		
Hire purchase payables	103	155
Finance lease payable	58	65
Bank borrowings	1,379	1,559
Deferred tax liabilities	2,077	2,077
	<u>3,617</u>	<u>3,856</u>
<b><u>Current Liabilities</u></b>		
Trade payables	18,005	15,599
Other payables and accrued expenses	4,832	4,009
Hire purchase payables	264	299
Finance lease payable	37	36
Bank borrowings	68,031	59,628
Tax liabilities	1,718	1,486
	<u>92,887</u>	<u>81,057</u>
<b>Total Liabilities</b>	<b><u>96,504</u></b>	<b><u>84,913</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>195,460</u></b>	<b><u>178,932</u></b>
Net assets per share (RM)	0.7891	0.7500

**The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2008 and the accompanying explanatory notes to the interim financial reports.**

**DOMINANT ENTERPRISE BERHAD**

(Company No.221206-D)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

	<u>Issued Capital</u> RM'000	<u>Treasury Shares</u> RM'000	<u>Share Premium</u> RM'000	<u>Other Reserves</u> RM'000	<u>Retained Earning</u> RM'000	<u>Total</u> RM'000	<u>Minority Interest</u> RM'000	<u>Total Equity</u> RM'000
<b>Balance as at 1 April 2007</b>	60,901	-	195	4,167	17,652	82,915	736	83,651
Issuance of shares								
- pursuant to ESOS	863	-	-	-	-	863	-	863
Net profit for the period	-	-	-	-	3,073	3,073	68	3,141
Dividend	-	-	-	-	-	-	-	-
Translation Deficit	-	-	-	(11)	-	(11)	-	(11)
<b>Balance as at 30 June 2007</b>	<u>61,764</u>	<u>-</u>	<u>195</u>	<u>4,156</u>	<u>20,725</u>	<u>86,840</u>	<u>804</u>	<u>87,644</u>
<b>Balance as at 1 April 2008</b>	62,002	(914)	195	5,517	26,198	92,998	1,021	94,019
Issuance of shares								
- pursuant to ESOS	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	4,133	4,133	78	4,211
Dividend	-	-	-	-	-	-	-	-
Translation surplus	-	-	-	726	-	726	-	726
<b>Balance as at 30 June 2008</b>	<u>62,002</u>	<u>(914)</u>	<u>195</u>	<u>6,243</u>	<u>30,331</u>	<u>97,857</u>	<u>1,099</u>	<u>98,956</u>

**The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2008 and the accompanying explanatory notes to the interim financial reports.**

**DOMINANT ENTERPRISE BERHAD**  
**(Company No.221206-D)**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)**

	<b>Financial Period Ended 30.06.2008</b>	<b>Financial Period Ended 30.06.2007</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit for the year	4,211	3,141
<b>Adjustments for : -</b>		
Non-cash items	490	521
Non-operating items	2,127	897
<i>Operating profit before changes in working capital</i>	<u>6,828</u>	<u>4,559</u>
<b>Changes in working capital</b>		
Net change in current assets	(12,200)	(14,581)
Net change in current liabilities	2,931	3,619
<i>Cash generated from / (used in) operations</i>	<u>(2,441)</u>	<u>(6,403)</u>
Interest paid	(28)	(23)
Income tax paid	(1,018)	(856)
<b>Net cash from / (used in) operating activities</b>	<u>(3,487)</u>	<u>(7,862)</u>
<b>Net cash from / (used in) investing activities</b>	(1,018)	1,020
<b>Net cash from / (used in) financing activities</b>	<u>6,881</u>	<u>3,187</u>
<b>Net Changes in Cash &amp; Cash Equivalents</b>	2,376	(3,075)
Adjustment for foreign exchange differentials	74	(7)
Cash & Cash Equivalents at beginning of period	7,895	6,795
Cash & Cash Equivalents at end of period	<u><u>10,345</u></u>	<u><u>3,713</u></u>

\* Cash and cash equivalents at end of financial period comprise the following :

Cash and bank balances	12,407	8,292
Less: Bank overdrafts (included within short term borrowings in Note B8)	(2,062)	(4,579)
	<u><u>10,345</u></u>	<u><u>3,713</u></u>

**The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2008 and the accompanying explanatory notes to the interim financial reports.**

**UNAUDITED QUARTERLY REPORT ON FINANCIAL RESULTS FOR THE PERIOD ENDED 30 JUNE 2008**

**Notes to the Interim Financial Report**

**A1. Accounting Policies**

The interim financial reports are unaudited and have been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2008.

**A2. Change in Accounting Policies**

The significant accounting policies adopted are consistent with those in the audited financial statements for the financial year ended 31 March 2008.

**A3. Audit Qualification on Annual Financial Statements**

The audit report of the Group's annual Financial Statements for the financial year ended 31 March 2008 was not subject to any qualification.

**A4. Seasonal or Cyclical Factors**

The Group's business operations are not significantly affected by any seasonal or cyclical factors.

**A5. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period.

**A6. Material Changes in Accounting Estimates**

There were no changes in accounting estimates for financial period under review.

**A7. Debts and Equity Securities**

There were no issuances, cancellations, share buy-backs, resale of treasury shares and repayment of debt and equity security during the financial quarter ended 30 June 2008.

**A8. Dividend Paid**

There were no dividend payments made in current quarter.

**A9. Segmental Reporting**

	<b>Revenue</b>	<b>Profit before</b>	<b>Assets</b>
	<b>RM'000</b>	<b>Taxation</b>	<b>Employed</b>
		<b>RM'000</b>	<b>RM'000</b>
Manufacturing Division	19,884	1,858	54,182
Distributing Division	73,866	3,454	136,099
	<u>93,750</u>	<u>5,312</u>	<u>190,281</u>
Unallocated corporate profit / assets		67	4,342
		<u>5,379</u>	<u>194,623</u>

**A10. Valuations of Property, Plant and Equipment**

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

**A11. Subsequent Material Events**

There are no subsequent material events that are required to be reflected in the current quarter.

**A12. Changes in the Composition of the Group**

There were no changes in Composition of the Group for current quarter under review.

**A13. Contingent Liabilities**

As of 30 June 2008, the Group has credit facilities from licensed banks, financial institutions and suppliers totalling RM 200.10million (RM 194.16 million in March 2008) which are guaranteed by the Company. Accordingly, the Company is contingently liable to the extent of credit facilities utilised by its subsidiary companies as of period-end amounting to about RM 73.63 million (RM 64.53 million in March 2008).

**A14. Capital Commitments**

As of 30 June 2008, the Group has the following capital commitments:

	<b>RM'000</b>
Approved and contracted for :	
Purchase of land	123
Construction of factory buildings	6,986
	<u>7,109</u>

**Additional Information Required by the Bursa Malaysia Listing Requirements**

**B1. Review of the Performance**

For the financial period ended 30 June 2008, the Group recorded a revenue of RM 93.75 million and profit before tax (“PBT”) of RM 5.38 million. This represented an increase of 40.38% and 39.02% in revenue and PBT respectively as compare to the results in the preceding year corresponding quarter ended 30 June 2007. The growth in the Group’s PBT is attributed mainly from the higher sales volume achieved.

**B2. Variation of Results Against Preceding Quarter**

For current quarter under review, the Group’s revenue growth 16.27% as compare to RM 80.63 million in the preceding quarter ended 31 March 2008. The PBT has also increase by 28.10% from RM 4.20 to RM 5.38 million.

**B3. Prospects**

The Group’s result in next financial quarters is not expected to be materially different from the current quarter. The Board will continuously take necessary steps to deliver satisfactory results for the coming periods.

**B4. Taxation**

The taxation is calculated based on the profit for the financial period ended 30 June 2007 comprises the following:

	<u>Current Quarter</u> RM’000	<u>Current Year To Date</u> RM’000
<u>Income tax Expenses :</u>		
Current Quarter/Year	1,168	1,168
Under-provision in Prior Quarter/Year	-	-
	<u>1,168</u>	<u>1,168</u>

The effective tax rate of the Group for financial period ended 30 June 2008 is lower than the statutory tax rate and this is principally due to utilisation of tax allowances.

**B5. Unquoted Investments and/or Properties**

There were no disposals of unquoted investment and/or properties for the quarter under review.

**B6. Quoted Securities**

There were no purchases or disposals of quoted securities for the quarter under review.

**B7. Status of Corporate Proposals**

There was no corporate proposal for the quarter under review.

**B8. Borrowings**

The Group's borrowings as at the end of the reporting period are 100% unsecured :-

	As At 30 June 2008 RM'000	As At 31 March 2008 RM'000
Short Term Borrowing	68,031	59,628
Long Term Borrowing	1,379	1,559
	<hr/>	<hr/>
	69,410	61,187
	<hr/> <hr/>	<hr/> <hr/>

**B9. Off Balance Sheet Financial Instruments**

There was no financial instrument with off balance sheet risk as at the date of this report.

**B10. Material Litigation**

There was no change in material litigation since the last audited annual balance sheet date.

**B11. Proposed Dividend**

The Board is not recommending any payment of dividend for the current financial period under review.

**B12. Earnings Per Share ("EPS")**

The EPS is derived as follow :-

	<b>Current Quarter</b>	<b>Current Year To Date</b>
Net profit for the period/year (RM'000)	4,133	4,133
Weighted average number of ordinary shares ('000)	124,003	124,003
Adjusted weighted average number of ordinary shares for calculating diluted EPS ('000)	126,163	126,163
EPS (sen)	3.33	3.33
Diluted EPS (sen)	3.28	3.28