

Table 1 – Reserves available for capitalisation

KFB (Company level)	Share premium RM	Retained earnings RM	Total RM
As at 31 December 2007 (audited)	3,519,090	7,646,170	11,165,260
Profit for the period from 1 January 2008 to 31 March 2008 (unaudited)	-	10,591,061	10,591,061
As at 31 March 2008 (unaudited)	3,519,090	18,237,231	21,756,321
Amount to be capitalised for the Proposed Bonus Issue	(3,519,090)	(16,480,910)	(20,000,000)
Estimated expenses for the Proposed Bonus Issue	-	* (100,000)	* (100,000)
After the Proposed Bonus Issue	-	1,656,321	1,656,321

Note:-

* *Assuming the estimated expenses of RM100,000 in relation to the Proposed Bonus Issue are deducted from retained earnings*

Table 2 - Proforma effects on the issued and paid-up share capital

	No. of KFB Shares	Par value RM	Total RM
Issued and fully paid-up share capital as at 15 May 2008	80,000,000	0.50	40,000,000
To be issued pursuant to the Proposed Bonus Issue	40,000,000	0.50	20,000,000
Enlarged issued and paid-up share capital after the Proposed Bonus Issue	120,000,000	0.50	60,000,000

Table 3 - Proforma effects on net assets and gearing of the KFB Group

	Audited as at 31 December 2007	After the Proposed Bonus Issue
	RM	RM
Share capital	40,000,000	60,000,000
Share premium	3,519,090	-
Translation reserve	(155,339)	(155,339)
Retained earnings	17,034,041	⁽¹⁾ 453,131
Net assets attributable to shareholders	60,397,792	60,297,792
Minority interest	31,240	31,240
	60,429,032	60,329,032
Number of KFB Shares in issue	80,000,000	120,000,000
Net assets per KFB Share (RM)	0.75	0.50
Total borrowings ⁽²⁾ (RM)	3,361,811	3,361,811
Gearing ratio (times)	0.06	0.06

Notes:-

(1) *After deducting the estimated expenses of RM100,000 in relation to the Proposed Bonus Issue from retained earnings*

(2) *Represents interest-bearing borrowings only*