

**RAMUNIA HOLDINGS BERHAD**

(Company No. 634775-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT**(The figures have not been audited)**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-07-06	31-07-05	31-07-06	31-07-05
	RM'000	RM'000	RM'000	RM'000
Revenue	107,116	45,309	191,476	94,031
Profit/(Loss) from operations	13,605	8,327	27,762	12,199
Finance cost	(1,869)	(409)	(5,157)	(786)
Profit/(Loss) before taxation and exceptional item	11,736	7,918	22,605	11,413
Exceptional item	(97)	-	(97)	(36,814)
Profit/(Loss) before taxation	11,639	7,918	22,508	(25,401)
Taxation	(4,617)	(2,433)	(9,248)	(3,579)
Net profit/(loss) for the period	7,022	5,485	13,260	(28,980)
Attributable to:				
Equity holders of the parent	7,462	5,532	13,754	(28,931)
Minority interests	(440)	(47)	(494)	(49)
Net profit/(loss) for the period	7,022	5,485	13,260	(28,980)
Profit/(Loss) per share				
(a) Basic (based on 234,447,867 ordinary shares) - sen	3.18	3.04	5.87	(15.90)
(b) Fully diluted (based on ordinary shares) - sen	-	-	-	-
Dividend per share (sen)	0.00	0.00	0.00	0.00
ADDITIONAL INFORMATION				
Gross interest income	0	0	17	0
Gross interest expense	1,836	280	4,984	617



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CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 JULY 2006

	<u>Unaudited</u> AS AT 31-Jul-06 RM	<u>Audited</u> AS AT 31-Oct-05 RM
Property, plant and equipment	161,312,155	123,491,603
Investments	4,000,000	4,000,000
Deferred expenditure	1,171,696	1,171,696
Intangible assets	83,236,153	82,391,748
Current Assets		
<i>Inventories</i>	1,069,358	1,975,362
<i>Trade receivables</i>	122,105,089	101,598,964
<i>Other receivables</i>	2,638,736	6,179,971
<i>Amount due from holding company</i>	1,279,725	1,282,725
<i>Amount due from related companies</i>	258,750	258,750
<i>Amount due from customers</i>	97,590,161	32,959,145
<i>Fixed deposits</i>	1,128,719	1,591,119
<i>Cash and bank balances</i>	9,430,673	31,439,352
	235,501,211	177,285,388
Current Liabilities		
<i>Trade payables</i>	79,537,620	23,058,041
<i>Other payables</i>	9,740,657	5,389,741
<i>Finance payables</i>	175,578	164,424
<i>Borrowings</i>	85,581,667	80,431,912
<i>Provision for taxation</i>	16,267,841	9,394,224
	191,303,363	118,438,342
Net Current Assets	44,197,848	58,847,046
	293,917,852	269,902,093
	293,917,852	269,902,093
Financed By		
Share capital	118,354,471	115,865,471
ICPS	50,324,031	50,324,031
ICULS (equity component)	79,924,338	79,924,338
Share premium	1,663,420	1,084,740
Share application monies	-	189,280
Accumulated loss	(13,400,090)	(27,153,810)
	236,866,170	220,234,050
Minority interest	872,386	813,249
	237,738,556	221,047,299
	237,738,556	221,047,299
ICULS (liability component)	2,075,662	2,075,662
Finance payables	110,466	169,727
Borrowings	51,917,168	44,533,405
Deferred taxation	2,076,000	2,076,000
	2,279,896	2,279,896
	293,917,852	269,902,093
Net assets per share (RM)	1.00	0.95



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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 JULY 2006**

Current Quarter

<u>31 July 2006</u>	<u>Share capital</u> RM	<u>ICPS</u> RM	<u>ICULS</u> RM	<u>Share Premium</u> RM	<u>Share Application Monies</u> RM	<u>Accumulated losses</u> RM	<u>Total</u> RM
Balance at 1 May 2006	116,880,971	50,324,031	79,924,338	1,206,600	63,280	(20,862,130)	227,537,090
Net profit for the period	-	-	-	-	-	7,462,039	7,462,039
	116,880,971	50,324,031	79,924,338	1,206,600	63,280	(13,400,091)	234,999,129
Additions/(Transfers) for the period	1,473,500	-	-	456,820	(63,280)	-	1,867,040
Balance at 31 July 2006	118,354,471	50,324,031	79,924,338	1,663,420	-	(13,400,091)	236,866,169

Preceding Year Corresponding Quarter

<u>31 July 2005</u>	<u>Share capital</u> RM	<u>ICPS</u> RM	<u>ICULS</u> RM	<u>Share Premium</u> RM	<u>Share Application Monies</u> RM	<u>Accumulated losses</u> RM	<u>Total</u> RM
Balance at 1 May 2005	110,075,971	50,324,031	79,924,338	390,000	-	(34,471,506)	206,242,834
Net profit for the period	-	-	-	-	-	5,533,181	5,533,181
	110,075,971	50,324,031	79,924,338	390,000.00	-	(28,938,325)	211,776,015
Additions for the period	157,500.00	-	-	18,900	44,800.00	-	221,200
Balance at 31 July 2005	110,233,471	50,324,031	79,924,338	408,900	44,800.00	(28,938,325)	211,997,215



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CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 JULY 2006

	Current <u>Quarter</u> 31-Jul-06 RM	Preceding <u>Quarter</u> 31-Jul-05 RM
Net cash generated from/(used in) operating activities	10,248,731	(21,254,523)
Net cash used in investing activities	(43,160,721)	(27,623,301)
Net cash generated from/(used in) financing activities	(881,595)	3,753,597
Net change in Cash & Cash Equivalents	(33,793,585)	(45,124,227)
Cash & Cash equivalents at beginning period	(20,802,930)	2
Cash & Cash equivalents at end of year	(54,596,515)	(45,124,225)



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UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS FOR FINANCIAL PERIOD ENDED 31 JULY 2006

A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

A1. Accounting Policies

This interim financial report is unaudited and has been prepared in accordance with Malaysian Accounting Standards Board ("MASB") Standard No. 26, "Interim Financial Reporting" and paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Malaysia")'s Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2005. The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 October 2005

A2. Financial Year Audit

The preceding audited financial statements for the year ended 31 October 2005 were not subjected to any audit qualification.

A3. Seasonal or Cyclical Factors

The Group's results were not materially affected by any major seasonal or cyclical factors.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items affecting assets, liabilities, equity, net income or cash flow during the current quarter under review.

A5. Changes in Estimates

Not applicable for the quarter ended 31 July 2006.

A6. Debts and Equity Securities

The Company issued 2,947,000 new ordinary shares of 50 sen each, for cash, arising from the exercise of options granted under the Employees' Share Option Scheme at exercise prices of RM0.56 and RM1.06 per ordinary share during the current quarter.

Other than the above, there were no other issuance, cancellation, repurchase, resale and repayment of debt securities of the Group and equity securities of the Company for the current quarter ended 31 July 2006.

A7. Dividend

There was no dividend paid during the current quarter under review.

A8. Segmental Report

	GROSS REVENUE RM' 000	PROFIT/(LOSS) BEFORE TAX RM' 000	SEGMENT ASSETS RM' 000	SEGMENT LIABILITIES RM' 000
Oil & Gas	190,131	31,993	258,267	200,108
Crane Manufacturing	2,738	(1,007)	12,607	10,827
Vessel Charter	278	96	96	-
Investment Holdings	-	(8,557)	249,538	53,575
Others	-	(17)	-	17
	<u>193,147</u>	<u>22,508</u>	<u>520,508</u>	<u>264,527</u>
Elimination	<u>(1,671)</u>	<u>-</u>	<u>(35,287)</u>	<u>(17,044)</u>
	<u>191,476</u>	<u>22,508</u>	<u>485,221</u>	<u>247,483</u>

A9. Valuation of property, plant and equipment

The valuation of the property, plant & equipment of the Company and the subsidiary company have been brought forward without amendments from its previous audited financial statements for the year ended 31 October 2005.

A10. Material events subsequent to the end of the current financial quarter

There are no material events subsequent to the end of the financial quarter under review except for a Corporate Restructuring Proposals as mentioned in Note B8.

A11. Changes in the Composition of the Group

There are no changes in the composition of the Group for the quarter ended 31 July 2006 except for the following :-

Acquisition of two wholly owned subsidiaries and one sub-subsiary as follows:

(a) RISL Engineering Sdn Bhd ("RISL")

Ramunia International Services Limited , a wholly-owned subsidiary of the Company, had on 27 June 2006 acquired the entire issued and paid-up share capital of RISL for a purchase consideration of RM2.00. Consequent thereto, RISL became the wholly-owned sub-subsiary of the Company.

RISL was incorporated in Malaysia as a private limited company under the Companies Act, 1965 on 15 May 2006. The authorised share capital of RISL is RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each. The paid up share capital of RISL is RM2.00 divided into 2 ordinary shares of RM1.00 each. The principal activities of RISL Engineering are as follows:-

- i) to carry on all or any of the businesses of fabrication of offshore oil and gas steel structures and platforms, and all activities related and incidental thereto; and
- ii) to carry on all or any of the businesses of acquiring, processing, refining, storing, transporting, supplying, selling, trading and dealing in and distributing petroleum and other oils.

(b) The Company had on 3 July 2006 acquired the entire issued and paid-up share capital of Ramunia Training Services Sdn Bhd ("Ramunia Training Services") and Ramunia Corporate Services Sdn Bhd ("Ramunia Corporate Services") at purchase consideration of RM2.00 per company respectively ("Acquisition of Shares"). Consequent thereto, Ramunia Training Services and Ramunia Corporate Services became the wholly-owned subsidiaries of the Company.

Ramunia Training Services was incorporated in Malaysia under the Companies Act, 1965 on 17 April 2006. The present authorised share capital of Ramunia Training Services is RM100,000 divided into 100,000 ordinary shares of RM1.00 each and the share capital is RM2.00 divided into 2 ordinary shares of RM1.00 each. Ramunia Training Services will be primarily involved in the provision of training and related services.

Ramunia Corporate Services was incorporated in Malaysia under the Companies Act, 1965 on 17 April 2006. The present authorised share capital of Ramunia Corporate Services is RM100,000 divided into 100,000 ordinary shares of RM1.00 each and the share capital is RM2.00 divided into 2 ordinary shares of RM1.00 each. Ramunia Corporate Services will be primarily involved in the provision of management and administrative services.

A12. Contingent Liabilities

As at 31 July 2006, the Group has the following contingent liability:

	Group RM'000	Company RM'000
Potential litigation claim, inclusive of interest thereon	339	-
Corporate Guarantee issued to financial institutions for credit facilities granted to a subsidiary company	363,000	363,000
	<u>363,339</u>	<u>363,000</u>

The Board is of the opinion that the outcome of the litigation claim will be favourable to the Group but as a matter of prudence the claim has been recognised under contingent liabilities.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA

B1. Review of Performance

The Group recorded a jump in turnover from the same quarter last year of RM 45.31 million compared to RM 107.12 million this quarter. Profit before tax increased from RM 7.92 million in the same period last year compared to RM 11.64 million million current quarter. The better turnover and profit for the current financial quarter were due to stronger performance from the oil and gas division.

B2. Comparison of Current Quarter Results with Preceding Quarter Results

	3rd Quarter to 31/07/06 RM'000	2nd Quarter to 30/04/06 RM'000
Group Turnover	107,116	51,653
Profit before Taxation and EI	11,736	8,212
Exceptional Item	(97)	-
Profit before taxation	11,639	8,212
Taxation	(4,617)	(3,136)
Net profit for the period	7,022	5,076
Attributable to:		
Equity holders of the parent	7,462	5,114
Minority Interest	(440)	(38)
Net profit for the period	7,022	5,076

Profit before taxation increased from RM 8.21 million to RM 11.64 million (42% increased), riding on the back of an increased in turnover of RM 55.46 million on quarter to quarter.

B3. Prospects

Based on the order book of RFSB's fabrication as well as hook-up and commissioning contracts together with good prospect of increasing the order book, the Group is confident of achieving good operating performance in the forthcoming quarter and the financial year ending 31 October, 2006, barring unforeseen circumstances.

B4. Profit Forecast

This note is not applicable for the current Quarter under review.

B5. Taxation

	9 months ended 31-07-06 RM ' 000
Current taxation	<u>9,248</u>

B6. Profits / (Losses) on Sale of Investment

There were no sales of quoted securities during the current quarter under review.

B7. Profits / (Losses) on Sale of Unquoted Investment and Properties

There is no sale of unquoted investment and properties for the current quarter under review.

B8. Status of Corporate Proposals

The Company had on 17 July 2006 entered into a conditional sale and purchase agreement (the "Agreement") with Remcorp for the proposed acquisition of a piece of property known as H.S.(D) No.7794, PT No. PTD 502, Mukim Pantai Timor, Daerah Kota Tinggi, Negeri Johor (the "Land") and all buildings, structures, plant, machinery, associate equipment, fixtures and fittings situated on the Land (collectively defined as the "Property") for a total purchase consideration of RM135,000,000 (the "Purchase Consideration"). The Purchase Consideration is proposed to be satisfied via a cash payment of RM75,000,000 ("Cash Consideration") and the balance RM60,000,000 via the issuance of 43,795,620 new Shares at the issue price of RM1.37 each (the "Consideration Shares"), subject to the terms and conditions of the Agreement.

In addition to the above, the Board had also on the same date approved the following proposals to raise funds for the Company:-

- (i) a proposed renounceable restricted issue of up to 68,400,000 new Shares at an issue price of RM1.00 each to all shareholders of Ramunia save for Remcorp and its related parties on a pro-rata basis of their respective shareholdings in the Company as at an entitlement date to be determined; and
- (ii) a proposed private placement of up to 45,500,000 new Shares, representing up to approximately 19.25% of the existing issued and paid-up share capital of Ramunia as at 7 July 2006 to investors to be identified and at an issue price to be determined later.

B9. Group's Financial Borrowings

The details of total Group's financial borrowings as at 31 July 2006 is as per below:

	Secured RM	Unsecured RM	Total RM
SHORT TERM BORROWINGS			
Bank overdraft	63,908,462	118,725	64,027,187
Revolving credits	3,862,272	-	3,862,272
Trust receipts	14,697,288	-	14,697,288
	82,468,022	118,725	82,586,747
Finance payables (hire purchase)	175,578	-	175,578
Term loans	2,994,919	-	2,994,919
	85,638,519	118,725	85,757,244

LONG TERM BORROWINGS

Finance payables (hire purchase)	110,467	-	110,467
Term loans	15,917,168	36,000,000	51,917,168
TOTAL BORROWINGS	101,666,154	36,118,725	137,784,879

B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 31 July 2006.

B11. Material Litigation

Saved as disclosed in the preceding audited financial statements of the Company and the subsidiary, the Group is not engaged in other material litigation either as plaintiff or defendant.

B12. Dividends

The Board of Directors did not recommend the payment of dividends for the current quarter under review.

B13. Earnings Per Share**(a) Basic EPS**

The basic profit per share has been calculated based on the Group's net profit for the period over the number of ordinary shares for the corresponding period.

	31-Jul-06
Profit attributable to equity holder of parent (RM ' 000)	7,462
Weighted average number of ordinary shares in issue (' 000)	234,448
Basic EPS (sen)	<u>3.18</u>

(b) Diluted EPS

No diluted profit per share is presented, as the effect is anti-dilutive.