

Financial Results

Reference No **KG-060525-47643**

Company Name : **KNM GROUP BERHAD**
Stock Name : **KNM**
Date Announced : **25/05/2006**
Quarterly report for the financial period ended : **31/03/2006**
Quarter : **1**
Financial Year End : **31/12/2006**
The figures : **have not been audited**

Converted attachment :

Please attach the full Quarterly Report here:



InterimFinancialReport1Q2006.xls KLSE Announcement(1Q 2006).rtf

Remark:

SUMMARY OF KEY FINANCIAL INFORMATION 31/03/2006

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2006 RM'000	31/03/2005 RM'000	31/03/2006 RM'000	31/03/2005 RM'000
1 Revenue	174,340	71,393	174,340	71,393
2 Profit/(loss) before tax	28,473	12,409	28,473	12,409
3 Profit/(loss) after tax and minority interest	19,806	8,883	19,806	8,883
4 Net profit/(loss) for the period	20,766	8,883	20,776	8,883
5 Basic earnings/(loss) per share (sen)	13.21	6.04	13.21	6.04
6 Dividend per share (sen)	0.00	0.00	0.00	0.00

AS AT END OF AS AT PRECEDING

		CURRENT QUARTER	FINANCIAL YEAR END
7	Net assets per share attributable to ordinary equity holders of the parent (RM)	1.2600	1.0500

Note: For full text of the above announcement, please access Bursa Malaysia website at www.bursamalaysia.com

Remarks :

Table 1: Proforma effects of the Proposed Private Placement on the issued and paid-up share capital

Minimum scenario (actual issued and paid up share capital as at 24 April 2006)	No. of shares	Share Capital (RM)
Issued and paid-up share capital as at 24 April 2006	151,635,600	75,817,800
To be issued pursuant to the Proposed Private Placement	15,163,560	7,581,780
Enlarged issued and paid-up share capital	<u>166,799,160</u>	<u>83,399,580</u>
Maximum scenario (assuming all options under the ESOS exercisable as at 24 April 2006 are exercised)		
Issued and paid-up share capital as at 24 April 2006	151,635,600	75,817,800
Assuming ESOS options are exercised	<u>6,242,880</u>	<u>3,121,440</u>
	157,878,480	78,939,240
To be issued pursuant to the Proposed Private Placement	15,787,848	7,893,924
Enlarged issued and paid-up share capital	<u>173,666,328</u>	<u>86,833,164</u>

Table 2: Proforma effects of the Proposed Private Placement on the Net Assets (“NA”)**Minimum Scenario**

	Unaudited as at 31 December 2005 RM'000	Unaudited as at 24 April 2006 RM'000	After Proposed Private Placement RM'000
Share Capital	74,806	75,818	83,400
Share Premium	3,638	[^] 5,925	71,583
Revaluation Reserves	7,109	7,109	7,109
Retained Profit	71,832	71,832	71,832
NA	157,385	161,684	233,924
Number of Shares ('000)	149,612	151,636	166,800
NA per share (RM)	1.05	1.07	1.40

Note:

[^] Assuming the ESOS options after 31 December 2005 up to 24 April 2006 were exercised at the exercise price of RM1.63

Maximum Scenario

	Unaudited as at 31 December 2005 RM'000	Unaudited as at 24 April 2006 RM'000	After Proposed Private Placement RM'000
Share Capital	74,806	78,939	86,833
Share Premium	3,638	[^] 12,979	81,340
Revaluation Reserves	7,109	7,109	7,109
Retained Profit	71,832	71,832	71,832
NA	157,385	170,859	247,114
Number of Shares ('000)	149,612	157,878	173,666
NA per share (RM)	1.05	1.08	1.42

Note:

[^] Assuming the ESOS options after 31 December 2005 up to 24 April 2006 were exercised at the exercise price of RM1.63

Table 3: Proforma effects of the Proposed Private Placement on the substantial shareholders

(i) As at 24 April 2006

	Direct		Indirect	
	No. of shares	(%)	No. of shares	(%)
Inter Merger Sdn Bhd	42,956,727	28.33	3,991,273	2.63

(ii) After the Proposed Private Placement -

Minimum scenario (actual issued and paid up share capital as at 24 April 2006) -

	Direct		Indirect	
	No. of shares	(%)	No. of shares	(%)
Inter Merger Sdn Bhd	42,956,727	25.75	3,991,273	2.39

Maximum scenario (assuming all options under the ESOS exercisable as at 24 April 2006 are exercised) -

	Direct		Indirect	
	No. of shares	(%)	No. of shares	(%)
Inter Merger Sdn Bhd	42,956,727	24.73	3,991,273	2.30