COMPUGATES HOLDINGS BERHAD (“COMPUGATES” OR “THE COMPANY”) - FINANCIAL ASSISTANCE PROVIDED BY COMPUGATES MARKETING SDN BHD (“CMSB”), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY, TO COMPUGATES DEVELOPMENT AND MINING SDN BHD (“CDMSB”), A 60%-OWNED SUBSIDIARY OF CMSB

COMPUGATES HOLDINGS BERHAD

Type	Announcement
Subject	COMPUGATES HOLDINGS BERHAD (“COMPUGATES” OR “THE COMPANY”) - FINANCIAL ASSISTANCE PROVIDED BY COMPUGATES MARKETING SDN BHD (“CMSB”), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY, TO COMPUGATES DEVELOPMENT AND MINING SDN BHD (“CDMSB”), A 60%-OWNED SUBSIDIARY OF CMSB
Contents	1. INTRODUCTION

The Board of Directors of Compugates (“Board”) wishes to announce that its wholly-owned subsidiary, CMSB has provided financial assistance of RM11,536,207.63 to CDMSB, a 60%-owned subsidiary of CMSB (“the Provision of Financial Assistance”) for a period from 16 September 2008 to 13 March 2009.

This announcement is made pursuant to Paragraph 10.04(1) of the Listing Requirements of Bursa Malaysia Securities Berhad.

2. DETAILS OF THE PROVISION OF FINANCIAL ASSISTANCE

The Provision of Financial Assistance of RM11,536,207.63 provided to CDMSB is a long-term unsecured loan bearing currently an interest rate of Base Lending Rate + 1.5% per annum with no fixed terms of repayment.

3. INFORMATION ON CDMSB

CDMSB is a 60%-owned subsidiary of CMSB and its principal activity is investment holding, mining and trading of pharmaceutical products.

4. RATIONALE FOR THE FINANCIAL ASSISTANCE

The Provision of Financial Assistance is for CDMSB’s working capital requirements.

The lending of the loan allows CMSB to earn interest on its surplus funds.

5. FINANCIAL EFFECTS

5.1 Share Capital

The Provision of Financial Assistance will not have any effect on the issued and paid-up share capital of the Company as it does not involve the issuance of the Company’s shares.

5.2 Net assets and gearing

The Provision of Financial Assistance will not have any material effect on the net assets and gearing of the Company.

5.3 Earnings

The Provision of Financial Assistance will not have any material effect on the future earnings of the Company.

5.4 Substantial Shareholders' Shareholdings

The Provision of Financial Assistance does not have any effect on the shareholdings of the substantial shareholders of the Company and will not result in a change in the controlling or dominant shareholder of the Company.

6. APPROVAL REQUIRED

No approval from the shareholders and authorities is required for the Provision of Financial Assistance.

7. DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED

None of the directors and/or major shareholders of the Company and/or persons connected with any of them have any interests, direct or indirect, in the Provision of Financial Assistance.

8. DIRECTORS' RECOMMENDATION

The Board having considered all the relevant factors in respect of the Provision of Financial Assistance, is of the opinion that the Provision of Financial Assistance is in the best interest of the Compugates Group.

This announcement is dated 13 March 2009.

Announcement Info

Company Name	COMPUGATES HOLDINGS BERHAD
Stock Name	COMPUGT
Date Announced	13 Mar 2009
Category	General Announcement
Reference No	CAS-090313-F7181