

Condensed Unaudited Consolidated Income Statements
Quarterly report on unaudited consolidated results
For the period ended 31 January 2009

	3 months quarter ended <u>31.01.09</u> RM'000 (Unaudited)	3 months quarter ended <u>31.01.08</u> RM'000 (Unaudited)	Cumulative 12 months <u>31.01.09</u> RM'000 (Unaudited)	Cumulative 12 months <u>31.01.08</u> RM'000 (Audited)
Revenue	34,258	22,273	136,418	101,393
Cost of sales	<u>(32,103)</u>	<u>(25,088)</u>	<u>(133,554)</u>	<u>(100,143)</u>
Gross (loss)/profit	2,155	(2,815)	2,864	1,250
Other operating income/(expense)	1,572	411	3,513	61
Selling expenses	(813)	(792)	(2,533)	(2,537)
Administrative expenses	(1,458)	(11,344)	(5,475)	(15,861)
Finance costs	(953)	(829)	(3,712)	(3,109)
Profit/(Loss) before taxation	<u>503</u>	<u>(15,370)</u>	<u>(5,343)</u>	<u>(20,197)</u>
Taxation	<u>11</u>	<u>1,727</u>	<u>113</u>	<u>2,736</u>
Net profit/(loss) for the period	<u><u>514</u></u>	<u><u>(13,643)</u></u>	<u><u>(5,230)</u></u>	<u><u>(17,461)</u></u>
Attributable to:				
Shareholders of the Company	<u><u>514</u></u>	<u><u>(13,643)</u></u>	<u><u>(5,230)</u></u>	<u><u>(17,461)</u></u>
Basic earnings/(loss) per ordinary share (sen)	0.22	(5.76)	(2.21)	(7.37)
Diluted earnings per ordinary share (sen)	N/A	N/A	N/A	N/A

N/A = Not applicable

The Condensed Unaudited Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2008.

Condensed Unaudited Consolidated Balance Sheet

As at 31 January 2009

	As at <u>31.01.09</u> RM'000 (Unaudited)	As at <u>31.01.08</u> RM'000 (Audited)
Assets		
Property, plant and equipment	69,557	69,057
Investment	178	178
Goodwill	33,728	33,728
Total non-current assets	<u>103,463</u>	<u>102,963</u>
Assets held for sale	235	-
Inventories	33,621	25,939
Trade and other receivables	18,116	18,133
Deposits, bank and cash balances	2,445	3,045
Total current assets	<u>54,417</u>	<u>47,117</u>
Total assets	<u>157,880</u>	<u>150,080</u>
Equity		
Share capital	118,405	118,405
Reserves	(53,419)	(48,189)
Total equity attributable to shareholders of the Company	<u>64,986</u>	<u>70,216</u>
Liabilities		
Borrowings	18,693	22,117
Hire purchase payables - long term	486	715
Deferred tax liabilities	460	572
Total non-current liabilities	<u>19,639</u>	<u>23,404</u>
Trade and other payables	21,744	9,801
Short term borrowings	51,282	46,430
Hire purchase payables - short term	229	229
Total current liabilities	<u>73,255</u>	<u>56,460</u>
Total liabilities	<u>92,894</u>	<u>79,864</u>
Total equity and liabilities	<u>157,880</u>	<u>150,080</u>
	(0)	
Net assets per share attributable to ordinary shareholders of the Company (sen)	27	30

The Condensed Unaudited Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2008.

Condensed Unaudited Consolidated Statement of Changes in Equity
For the period ended 31 January 2009

	Attributable to shareholders of the Company			Total RM'000
	<u>Non-Distributable</u>			
	Share Capital RM'000	Capital Reserves RM'000	Accumulated Losses RM'000	
At 1 February 2008	118,405	17	(48,206)	70,216
Net loss for the year	-	-	(5,230)	(5,230)
At 31 January 2009	<u>118,405</u>	<u>17</u>	<u>(53,436)</u>	<u>64,986</u>
At 1 February 2007	118,405	120	(30,745)	87,780
Reversal of capital reserve		(103)		(103)
Net loss for the year	-	-	(17,461)	(17,461)
At 31 January 2008	<u>118,405</u>	<u>17</u>	<u>(48,206)</u>	<u>70,216</u>

The Condensed Unaudited Consolidated Statement Of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2008.

Condensed Unaudited Consolidated Cash Flow Statement
For the period ended 31 January 2009

	12 months ended <u>31.01.09</u> RM'000 (Unaudited)	12 months ended <u>31.01.08</u> RM'000 (Audited)
Cash flows from operating activities		
Loss before taxation	(5,343)	(20,197)
Adjustments for:		
Non-cash items	6,314	12,151
Interest expense	3,712	3,131
Interest income	(24)	(22)
Dividend income	(9)	(18)
Operating profit/(loss) before working capital changes	<u>4,650</u>	<u>(4,955)</u>
Changes in working capital:		
Net change in current assets	(10,337)	1,475
Net change in current liabilities	11,948	(4,690)
Cash generated from/(used) in operations	6,261	(8,170)
Interest paid	(2,198)	(1,754)
Tax refund	<u>2,667</u>	<u>694</u>
Net cash generated from/(used in) operating activities	<u>6,730</u>	<u>(9,230)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,049)	(6,701)
Proceeds from sale of investments	-	4,419
Dividend income received	9	18
Interest received	24	21
Increase in fixed deposit pledged	(2)	(2)
Net cash used in investing activities	<u>(7,018)</u>	<u>(2,245)</u>
Cash flows from financing activities		
Drawdown of bank borrowings	265,019	9,708
Repayment of bank borrowings	(263,591)	-
Repayment of hire purchase	(229)	(229)
Interest paid	<u>(1,514)</u>	<u>(1,377)</u>
Net cash (used in)/generated from financing activities	<u>(315)</u>	<u>8,102</u>
Net decrease in cash and cash equivalents	(603)	(3,374)
Cash and cash equivalents at beginning of the period	<u>2,967</u>	<u>6,341</u>
Cash and cash equivalents at end of the period	<u>2,364</u>	<u>2,967</u>
Cash and cash equivalents comprise:		
Cash and bank balances	<u>2,364</u>	<u>2,967</u>

The Condensed Unaudited Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2008.

Notes to the interim financial report

1. Basis of preparation

This unaudited interim financial report has been prepared in accordance with the applicable approved accounting standards for entities other than private entities issued by the Malaysian Accounting Standards Board (MASB), including compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting. This interim financial report also complies with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the annual financial statements for the financial year ended 31 January 2008 except for the changes in accounting policies arising from the adoption of new and revised standards as set out in Note 2.

The preparation of an interim financial report in conformity with FRS 134 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year ended 31 January 2008. The condensed consolidated interim financial statements and the notes thereon do not include all the information required for full set of financial statements prepared in accordance with FRSs.

2. Changes in accounting policies

The MASB had issued the following five Financial Reporting Standards (FRSs, were term collectively includes the MASB's Issues Committee's Interpretations) that are effective for annual period beginning on or after 1 July 2007, which are applicable to the Group and adopted in the current financial year:

- (i) FRS 107, Cash Flow Statement
- (ii) FRS 112, Income Taxes
- (iii) FRS 118, Revenue
- (iv) FRS 134, Interim Financial Reporting
- (v) FRS 137, Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above FRSs does not have any material impact on this interim financial report.

3. Audit qualifications

The report of the auditors on the Group's financial statements for the financial year ended 31 January 2008 was not subject to any qualification.

4. Seasonal or cyclical factors

The Group's operations were not affected by seasonal or cyclical factors.

5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial year to-date because of their nature, size, or incidence.

6. Changes in estimates

There were no significant changes in financial estimates reported in prior interim periods that would materially affect the current interim period report.

7. Debt and equity securities

There were no issuance and repayment of debts and equity securities, share buy-backs, shares cancellations, shares held as treasury shares and resale of treasury shares for the current financial period to-date.

8. Dividend paid

There were no dividends paid during the quarter ended 31 January 2009.

9. Segment reporting

The Group's segmental report for the 12 months ended 31 January 2009 is as follows:

	<u>Manufacturing</u> RM'000	<u>Investment holding</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
Revenue				
Total	136,482	9	8,855	145,346
Inter segment	(8,929)	-	-	(8,929)
External	127,553	9	8,855	136,417
Results				
Segment loss	(1,007)	(640)	(8)	(1,655)
Interest income				24
Finance costs				(3,712)
Loss before taxation				(5,343)
Taxation				113
Net loss for the period				(5,230)

The Group's segmental report for the 12 months corresponding year ended 31 January 2008 is as follows:

	<u>Manufacturing</u> RM'000	<u>Investment holding</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
Revenue				
Total	97,899	3,473	7,023	108,395
Inter segment	(7,001)	-	-	(7,001)
External	90,898	3,473	7,023	101,394
Results				
Segment loss	(10,401)	(6,478)	(209)	(17,088)
Interest income				22
Finance costs				(3,131)
Loss before taxation				(20,197)
Taxation				2,736
Net loss for the period				(17,461)

10. Property, plant and equipment

The valuations of freehold land and leasehold land had been brought forward, without amendment from the previous annual financial statements.

11. Events subsequent to the balance sheet date

There was no material events subsequent to the end of the current quarter ended 31 January 2009 until the date of this report.

12. Changes in composition of the Group

There were no changes in the composition of the Group during the current financial period to-date.

13. Contingent assets and contingent liabilities

There were no changes in contingent assets and liabilities since the last annual balance sheet date except for the following:

	<u>31.01.09</u> RM'000	<u>31.01.08</u> RM'000
(i) Bank guarantees issued to third parties by a subsidiary company	3,797	2,378

These are bank guarantees issued to authorities and utilities suppliers mainly for performance bonds, security deposits and payment guarantees.

- (ii) The Company has issued corporate guarantees totalling RM65.7 million in favour of various financial institutions for the banking facilities extended to a subsidiary company. The amount of the banking facilities utilised as at 31 January 2009 is RM73.77million.

14. Capital commitments

Capital commitments for the Group not provided for in the interim financial report are as follows:

	31.01.09
	RM'000
Approved and contracted for:	
Property, plant and equipment	1,038
	<u>1,038</u>

Additional information required by the Bursa Malaysia Securities Berhad Listing Requirements

15. Review of performance

The Group's profit before taxation for the current quarter ended 31 January 2009 was RM0.5 million as compared to the preceding year corresponding quarter's loss before taxation of RM15.37 million. The profit was mainly due to the increase in quantity sold and the higher selling price due to a better sales mix and gain in exchange.

16. Variation of results against preceding quarter

The Group recorded a profit before taxation of RM0.5 million on a revenue of RM34.26 million for the current quarter as compared to a loss before taxation of RM0.07 million on a revenue of RM38.29million for the immediate preceding quarter ended 31 October 2008. The profit in the current quarter was mainly due to the change in sales mix and a gain in exchange.

17. Future year prospects

With a massive global recession facing the whole world's economy, we foresee tough times ahead. However the Board is of the view that a more prudent management of production lines and an aggressive selling price campaign would reduce this negative impact and we can actually see better results in the forthcoming financial year.

The Group will continue to implement various cost control measures, diversify its product types and change its marketing strategies in order to turn around its financial position.

18. Profit forecast or profit guarantee

The Group did not publish any profit forecast or issue any profit guarantee during the reporting period.

19. Taxation

	3 months quarter ended	Cumulative 12 months ended
	<u>31.01.09</u>	<u>31.01.09</u>
	RM'000	RM'000
Deferred tax	<u>11</u>	<u>113</u>

No income tax expense for the current quarter as the Group is in a tax loss position.

20. Unquoted investments and landed properties

There were no sales of unquoted investments and/or properties for the current financial period-to-date.

21. Quoted investment

There were no purchases or sales of quoted securities for the current financial period-to-date.

Investment in quoted shares as at 31 January 2009 is as follows:

	<u>Cost</u>	<u>Carrying amount</u>	<u>Market value</u>
	RM'000	RM'000	RM'000
Quoted in Malaysia	<u>178</u>	<u>178</u>	<u>266</u>

22. Status of corporate proposal announced

There were no corporate proposals announced but not completed as at the latest practicable date.

23. Borrowings

The Group's borrowings since the last annual balance sheet date (excluding hire purchase liabilities) are as follows:

	<u>31.01.09</u>	<u>31.01.08</u>
	RM'000	RM'000
Current		
-unsecured short term borrowings	47,858	43,681
-term loan (secured)	2,426	2,749
Non-current		
-term loan (secured)	<u>19,691</u>	<u>22,117</u>
	<u>69,975</u>	<u>68,547</u>

The above borrowings are denominated in Ringgit Malaysia.

24. Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the latest practicable date except for the following:

The position of forward foreign exchange hedging contracts of a wholly owned subsidiary as at the latest practicable date is as follows:

	<u>Contracted amount '000</u>	<u>RM'000 equivalent</u>
USD	2,780	10,037

The related accounting policies for the off balance sheet financial instruments are disclosed in the audited financial statements for the financial year ended 31 January 2008.

25. Changes in material litigation

There was no pending material litigation in respect of the Company since the last annual balance sheet date.

26. Dividend Payable

The Directors do not recommend any payment of dividend for the current financial period to-date.

27. Basic profit/(loss) per share

	3 months quarter ended <u>31.01.09</u>	3 months quarter ended <u>31.01.08</u>	Cumulative 12 months ended <u>31.01.09</u>	Cumulative 12 months ended <u>31.01.08</u>
Net profit/(loss) for the period ('000)	514	(13,643)	(5,230)	(17,461)
Number of ordinary shares in issue ('000)	236,810	236,810	236,810	236,810
Basic loss per ordinary share (sen)	0.22	(5.76)	(2.21)	(7.37)

28. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 March 2009.