

PLASTRADE TECHNOLOGY BERHAD

Company No. 591077-X
(Incorporated in Malaysia)

UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009

Notes to the Interim Financial Statements

1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and had been prepared in accordance with the FRS 134 – Interim Financial Reporting and the requirements of the amended Appendix 9B of the Listing Requirements for the ACE Market.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2008.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2008.

The Group has not adopted the following FRSs and IC Interpretations that have been issued as at the date of announcement but are not yet effective for the Group:

FRS 4 : Insurance Contracts
FRS 7 : Financial Instruments: Disclosures
FRS 8 : Operating Segments
FRS 139 : Financial Instruments: Recognition and Measurement
IC Interpretation 9 : Reassessment of Embedded Derivatives
IC Interpretation 10 : Interim Financial Reporting and Impairment

FRS 8 and IC Interpretation 10 are expected to have no material impact on the financial statements of the Group upon their initial application.

FRS 4 and IC Interpretation 9 are not relevant to the Group's operations. The possible impacts of FRS 7 and FRS 139 on the financial statements upon their initial application, if any, are not disclosed by virtue of the exemptions given in these standards.

3. Audit Report of Preceding Annual Financial Statements

The auditors' report of the preceding annual financial statements was not subjected to any qualification.

4. Seasonal or Cyclical Factors

There were no seasonal or cyclical factors affecting the results of the Group for the current quarter under review.

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There were no other items which were unusual because of their nature, size, or incidence that has affected the assets, liabilities, equity, net income or cashflow of the Group for the financial period under review.

6. Material Changes in Estimates

There were no changes in estimates of amounts reported in prior interim periods that have a material effect on the current financial quarter.

7. Issuances and Repayment of Debt and Securities

There were no issuance and repayment of debt and equity securities for the quarter under review.

8. Dividend Paid

The Board of Directors do not recommend any dividend payment in respect of the financial period ended 30 September 2009.

9. Segmental Information

Segmental reporting of the Group's result for the financial year-to-date is as follows:

	Investment Holding	Resin compound for wire and cable insulation & jacketing	Resin compound for other industries	Total
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
- External	-	18,675	8,355	27,030
Segment Result	(84)	410	(1,390)	(1,064)
Finance Cost	-	(422)	(276)	(698)
Share of profit of associates	-	-	-	922
Loss before Tax				(840)
Taxation	-	-	-	(77)
Net Loss after Tax	-	-	-	(917)
Consolidated Balance Sheets				
Segment assets	5,697	26,555	20,191	52,443
Segment liabilities	100	16,446	8,151	24,697

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Geographical reporting of the Group's revenue and assets for the financial year-to-date is as follows:

	SEGMENT REVENUE RM'000	SEGMENT ASSETS RM'000
Malaysia	22,800	52,443
Other ASEAN countries	2,279	-
Other Asian countries	1,834	-
Other countries	117	-
Total	27,030	52,443

10. Revaluation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment for the quarter under review.

11. Material Events subsequent to the End of the Current Quarter

There were no other events materially affecting the results of the Group for the current quarter and financial year-to-date, which might have occurred between 30 September 2009 and the date of this announcement.

12. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year-to-date.

13. Changes in Contingent Liabilities and Contingent Assets

There were no changes in the material contingent liabilities or assets of the Group as at the date of this announcement.

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Additional information required by the Listing Requirements for the ACE Market of the Bursa Malaysia Securities Berhad

1. Review of Performance for the Individual Quarter and Year-to-date

For the period under review, the PTB Group recorded a revenue of RM9.081 million, representing a decrease of approximately 28.72% as compared to the preceding year corresponding quarter ended 30 September 2008 of RM12.739 million. Consequently, the Group recorded a loss after taxation of RM0.561 million for the current quarter ended 30 September 2009 compared with a loss after taxation of RM0.223 million for the preceding year corresponding quarter ended 30 September 2008.

For the current year to date, PTB Group recorded a revenue of RM27.030 million, representing a decrease of approximately 33.10% as compared to the preceding year corresponding period ended 30 September 2008 of RM40.404 million. As a result of this, the Group recorded a loss after taxation of RM0.917 million for the current year to date compared with a loss after taxation of RM0.203 million for the preceding year corresponding period ended 30 September 2008. The decrease in revenue and profit after taxation was mainly due to the present market sentiment which resulted lower demand of the Group's products.

2. Comparison with previous quarter's results

For the current quarter ended 30 September 2009, the Group recorded a revenue of RM9.081 million, representing a increase of approximately 0.65% as compared to the previous quarter ended 30 June 2009 of RM9.022 million. Meanwhile, the Group recorded a loss after taxation of RM0.561 million in the current quarter ended 30 September 2009, representing a decrease of 8.93% compared to the previous quarter ended 30 June 2009 of loss after taxation of RM0.515 million. The decrease in profit after taxation was mainly due to higher cost of sales, amongst others, higher material costs.

3. Current Year's Prospect

The Board of Directors of PTB is of the view that its financial performance to be challenging for the financial year ending 2009 after taking into consideration of the current level of operations and prevailing market conditions, in view of the uncertainties facing the global economy and the slow down in the domestic economy. However, the Group will use its best effort to ensure the Group remains competitive by adopting costs saving measure and marketing its products to other jurisdictions.

4. Variance of Profit Forecast

Not applicable as no profit forecast has been issued.

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5. Taxation

The taxation charge for the quarter under review includes the following:

	Current Quarter 30/09/2009 RM'000	Financial Year-to-date 30/09/2009 RM'000
Estimated current tax payable	(3)	149
Overprovision in prior year	(20)	(20)
Deferred tax	(32)	(52)
	<hr/> (55)	<hr/> 77

The Group's effective tax rate is lower than statutory tax rate of 25% mainly due to the utilisation of reinvestment allowance by the subsidiary.

6. Profit on sale of Investments and/or Properties

There were no disposal of unquoted investments and/or properties during the financial period under review.

7. Purchase and Disposal of Quoted Securities

There were no purchase or disposal of quoted securities during the financial period under review.

8. Status of Corporate Proposals

Save as disclosed below, there are no other corporate proposals announced but not completed as at the date of this announcement:

- (a) On 1 June 2009, OSK Investment Bank Berhad ("OSK") on behalf of the Board of Directors of PTB announced that the Company proposed to undertake a special Bumiputera issue of up to 64,500,000 new ordinary shares of RM0.10 each in PTB ("PTB Shares" or "Special Issue Shares"), representing up to 30% of the enlarged issued and paid-up share capital of the Company to Bumiputera investors to be identified ("Proposed Special Bumiputera Issue").

On 23 June 2009, the Company had submitted the application in relation to the Proposed Special Bumiputera Issue to the Securities Commission ("SC"), Foreign Investment Committee ("FIC") and the Ministry of International Trade and Industry ("MITI").

On 21 July 2009, OSK on behalf of the Board of Directors of PTB announced that the MITI had vide its letter dated 21 July 2009 approved the Proposed Special Bumiputera Issue with condition that PTB is to obtain the approval of the SC for the Proposed Special Bumiputera Issue and to comply with the FIC's Guideline on the Acquisition of Interests, Mergers and Take-Overs by Local and Foreign Interests.

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On 24 July 2009, OSK on behalf of the Board of Directors of PTB announced that the SC had vide its letter dated 22 July 2009 (which was received on 24 July 2009), approved the Proposed Special Bumiputera Issue subject to the following conditions:-

- (a) allocation of 12.5% of the new enlarged issued and paid-up share capital to Bumiputera investors to be recognised and approved by MITI, wherein the shares must either be allocated to Tier 1 entities or to the non-substantial Bumiputera shareholders;
- (b) OSK / PTB to submit an application to MITI for the allocation of the Special Issue Shares to Bumiputera investors. In the event that the Special Issue Shares are not fully subscribed by Bumiputera investors or MITI is unable to allocate the shares within a year, the equity condition will be removed;
- (c) OSK / PTB should update the SC on the progress of the allocation process by MITI, on a quarterly basis; and
- (d) OSK / PTB to fully comply with all relevant requirements of the Guidelines on the Offering of Equity and Equity-linked Securities for the ACE Market.

In the same letter, the SC has also approved the Proposed Special Bumiputera Issue under the equity requirement for companies listed on Bursa Malaysia Securities Berhad ("Bursa Securities").

- (b) On 23 July 2009, the Board of Directors of PTB announced that the Company intends to seek the approval of its shareholders, to purchase up to ten percent (10%) of its issued and paid-up share capital ("Proposed Share Buy-Back") pursuant to Section 67A of the Companies Act, 1965 and Chapter 12 of the ACE Market Listing Requirements of Bursa Securities at a general meeting to be convened.
- (c) On 21 August 2009, the Board of Directors of PTB announced that the Proposed Special Bumiputera Issue and the Proposed Share Buy-Back had been duly passed by its shareholders at the extraordinary general meeting held on 21 August 2009.
- (d) On 24 August 2009, OSK on behalf of the Board of Directors of PTB, had submitted a letter to the MITI to seek its assistance to allocate 21,500,000 Special Issue Shares to Bumiputera investors to be recognised and approved by MITI, wherein the said Special Issue Shares must be either be allocated to Tier 1 entities or to the non-substantial Bumiputera shareholders.
- (e) On 22 October 2009, Bursa Securities had resolved to approve the listing of up to 21,500,000 new ordinary shares of RM0.10 each in PTB to be issued pursuant to the Special Bumiputera Issue.
- (f) On 19 November 2009, OSK on behalf of the Board of Directors of PTB, submitted a letter to MITI request for the updates on the progress of the allocation process of the Special Issue Shares to the Bumiputera investors.

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The Group's borrowings as at 30 September 2009 are shown below: -

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term Borrowings			
Term Loan	949	-	949
Trade Line	14,082	-	14,082
Bank Overdraft	2,609	-	2,609
Hire Purchase Payables	378	-	378
	18,018	-	18,018
Long Term Borrowings			
Term Loan	864	-	864
Hire Purchase Payables	516	-	516
	1,380	-	1,380
Total	19,398	-	19,398

10. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at the date of this report.

11. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this announcement.

12. Earnings Per Share

- **Basic earnings per share**

The basic earnings per share of the Group is calculated by dividing the loss after taxation of RM0.917 million by the weighted average number of ordinary shares in issue for the current financial year-to-date ended 30 September 2009.

	Current Year To Date 30/09/2009 RM'000	Preceding Year Corresponding Period 30/09/2008 RM'000
Net loss attributable to ordinary shareholders	(917)	(203)
Weighted average number of ordinary shares ('000)	150,150	150,150
Basic earning per share (sen)	(0.61)	(0.14)

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Diluted earning per share is equal to the basic earnings per share as there were no potential ordinary shares outstanding in both the previous and current period under review.

By Order of the Board

Pua Kong Hoi
Managing Director
25 November 2009