

TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2008**

	(Unaudited) As at 31 Mar 08 RM'000	(Audited) As at 31 Dec 07 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	26,842	26,911
Prepaid lease payments	1,574	2,312
	<u>28,416</u>	<u>29,223</u>
Current assets		
Inventories	9,237	9,473
Trade and other receivables	12,291	13,939
Fixed deposits with licensed banks	5,036	4,536
Cash and bank balances	1,811	2,219
	<u>28,375</u>	<u>30,167</u>
TOTAL ASSETS	<u>56,791</u>	<u>59,390</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	15,571	15,571
Share premium	10,188	10,188
Other reserves	104	(22)
Retained earnings	11,016	11,805
	<u>36,879</u>	<u>37,542</u>
Minority interest	<u>1,149</u>	<u>1,223</u>
Total equity	<u>38,028</u>	<u>38,765</u>
Non-current liabilities		
Hire purchase creditors	650	926
Term loans	8,238	9,041
Deferred taxation	1,180	1,554
	<u>10,068</u>	<u>11,521</u>
Current liabilities		
Trade and other payables	4,599	4,228
Hire purchase creditors	764	439
Tax payable	8	37
Borrowings	3,324	4,400
	<u>8,695</u>	<u>9,104</u>
Total liabilities	<u>18,763</u>	<u>20,625</u>
TOTAL EQUITY AND LIABILITIES	<u>56,791</u>	<u>59,390</u>
Net assets per share attributable to equity holders of the parent (sen)	<u>23.7</u>	<u>24.1</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.)

TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2008**

	(Unaudited)	
	3 months ended (Quarter)	
	31 Mar 08	31 Mar 07
	RM'000	RM'000
Revenue	7,499	8,138
Operating expenses	(8,602)	(6,154)
Other operating income	145	247
	<hr/>	<hr/>
	(958)	2,231
Finance costs	(248)	(106)
	<hr/>	<hr/>
Profit/(loss) before taxation	(1,206)	2,125
Income tax expense	374	(273)
	<hr/>	<hr/>
Net profit/(loss) for the period	<u>(832)</u>	<u>1,852</u>
Attributable to:		
Equity holders of the parent	(789)	1,880
Minority interests	(43)	(28)
	<hr/>	<hr/>
Net profit for the period	<u>(832)</u>	<u>1,852</u>
Earnings/(Loss) per share attributable to equity holders of the parent:		
- Basic (sen)	(0.51)	1.23
- Diluted (sen)	NA	1.21

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.)

TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

	← Attributable to Equity Holders of the Parent →						Minority Interests RM'000	Total Equity RM'000
	Non-Distributable			Distributable				
	Share Capital RM'000	Share Premium RM'000	Translation (Loss)/ Reserve RM'000	Share Option Reserve RM'000	Retained Earnings RM'000	Total RM'000		
Balance at 1 January 2007	15,223	9,101	(203)	271	9,331	33,723	31	33,754
Issue of shares - ESOS	39	113	-	-	-	152	-	152
Exchange differences on translation of financial statements of foreign entity	-	-	(133)	-	-	(133)	(64)	(197)
Minority interests	-	-	-	-	-	-	1,353	1,353
Net profit for the period	-	-	-	-	1,881	1,881	(28)	1,853
Balance at 31 March 2007	15,262	9,214	(336)	271	11,212	35,623	1,292	36,915
Balance at 1 January 2008	15,571	10,188	(221)	199	11,805	37,542	1,223	38,765
Exchange differences on translation of financial statements of foreign entity	-	-	126	-	-	126	(31)	95
Minority interests	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	(789)	(789)	(43)	(832)
Balance at 31 March 2008	15,571	10,188	(95)	199	11,016	36,879	1,149	38,028

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.)

TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2008**

	3 Months Ended	
	31 Mar 08	31 Mar 07
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit / (loss) before taxation	(1,206)	2,125
Adjustments for :-		
Depreciation of property, plant and equipment	782	561
Amortisation of prepaid land lease payments	4	-
Interest expense	791	106
Allowance for doubtful debt	193	60
Unrealised (gain)/loss on foreign exchange	(122)	33
Net (gain)/loss on disposal of plant and equipment	25	(1)
Interest income	(33)	(133)
Operating profit before working capital changes	434	2,751
(Increase)/Decrease in:		
Inventories	236	(1,107)
Trade and other receivables	1,456	(152)
Increase/(Decrease) in:		
Trade and other payables	371	456
Bills payable	(689)	182
Cash generated from operations	1,808	2,130
Interest paid	(791)	(106)
Tax paid	(111)	(157)
Net cash generated from operating activities	906	1,867
Cash Flows From Investing Activities		
Proceeds from disposal of plant and equipment	383	2
Placement of fixed deposits	1,500	-
Interest received	33	133
Purchase of property, plant and equipment	(106)	(4,999)
Net cash used in investing activities	1,810	(4,864)
Cash Flow From Financing Activities		
Proceeds from issuance of shares	-	152
Proceeds from shares issued to minority interests	-	1,353
Drawdown/(Repayment) of term loans	(439)	3,764
Net repayment of hire purchase creditors	49	(50)
Net cash generated from/(used in) financing activities	(390)	5,219
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,326	2,222
Effects of exchange rate changes	18	(197)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD	3,983	5,181
CASH AND CASH EQUIVALENTS AS AT END OF PERIOD	6,327	7,206
Cash and cash equivalents comprise:-	RM'000	RM'000
Fixed deposits with licensed banks	5,036	3,782
Cash and bank balances	1,811	4,144
	6,847	7,926
Less : Fixed deposits pledged to licensed banks	(520)	(720)
Bank overdraft	-	-
	6,327	7,206

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.)

TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2008

A. EXPLANATORY NOTES AS PER FRS 134 – INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

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

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 – Interim Financial Reporting, and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the MESDAQ Market.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007. 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 2007.

The significant accounting policies adopted in the interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2007 except for the adoption of the following new/revised Financial Reporting Standard:

FRS 119₂₀₀₄(Revised) – Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures

The adoption of the abovementioned FRS does not have any significant impact on the Group.

A2. Auditor’s Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the financial year ended 31 December 2007 was not qualified.

A3. Comments about Seasonal or Cyclical Factors

The business of the Group is now more focused towards the manufacture and sales of fasteners for use in liquid crystal displays (“LCD”) and plasma televisions. As such, its sales are more exposed to the seasonal nature of the electronics industry. The industry typically experiences higher sales in the second half of the calendar year compared to the first half.

A4. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2008.

A5. Changes in Estimates

There were no changes in the estimates of amounts reported that have a material effect on the results in the current quarter under review.

TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2008

A. EXPLANATORY NOTES AS PER FRS 134 – INTERIM FINANCIAL REPORTING

A6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter ended 31 March 2008.

A7. Dividend Paid

No dividend was paid during the current quarter ended 31 March 2008.

A8. Segmental Information

	Malaysia RM'000	China RM'000	Thailand RM'000	Elimination RM'000	Consolidated RM'000
Segment revenue					
Revenue from external customers	6,435	474	591	-	7,499
Inter-segment revenue	2,854	31	7	(2,892)	-
Total Revenue	<u>9,289</u>	<u>505</u>	<u>598</u>	<u>(2,892)</u>	<u>7,499</u>
Segment results					
Net profit/(loss) for the period	<u>(321)</u>	<u>(438)</u>	<u>(72)</u>	<u>42</u>	<u>(789)</u>
Segment assets					
Total assets	<u>68,848</u>	<u>5,274</u>	<u>5,971</u>	<u>(23,302)</u>	<u>56,791</u>
Segment liabilities					
Total liabilities	<u>18,970</u>	<u>1,003</u>	<u>3,263</u>	<u>(4,473)</u>	<u>18,763</u>

A9. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the financial year ended 31 December 2007.

A10. Subsequent Events

There were no material events subsequent to the end of the current quarter.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A12. Contingent Liabilities

The Company is contingently liable for corporate guarantees provided to financial institutions for banking facilities amounting to RM30.15 million granted to the subsidiary companies. As at 31 March 2008, the utilisation of the banking facilities stood at RM13.45 million.

TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2008

A. EXPLANATORY NOTES AS PER FRS 134 – INTERIM FINANCIAL REPORTING

A13. Capital Commitments

There were no capital commitments for the purchase of property, plant and equipment not provided for in the interim condensed financial statements as at 31 March 2008.

A14. Significant Related Party Transactions

Save as disclosed below, the Directors are of the opinion that there were no other related party transactions which would have a material impact on the financial position and the business of the Group during the current quarter.

The significant transactions with related parties by Group are as follows:

Related parties	3 months ended 31 March 2008 RM'000
Trifast and its subsidiary companies	
- Sale of goods	1,505
- Purchase of goods	372

TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2008

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of Performance

The Group achieved an unaudited loss before taxation of RM1.21 million for the quarter ended 31 March 2008 on a turnover of RM7.50 million compared with profit before taxation of RM2.13 million on a turnover of RM8.14 million recorded in the previous year's corresponding quarter. The loss recorded for the current quarter compared to the corresponding quarter in the preceding year was due to lower sales and lower margins resulting from lower unit selling price coupled with rising cost of raw materials.

B2. Comment on Material Change in Profit Before Taxation of Current Quarter Compared with Preceding Quarter

Loss before taxation in the current quarter was RM1.21 million compared to a profit before taxation of RM0.43 million in the preceding quarter ended 31 December 2007 mainly due to lower sales and lower margins experienced in the current quarter under review.

B3. Commentary on Current Year Prospects

The Board foresees challenging times in the first half of the current year, but however, is optimistic that the Group would deliver better performance in the second half of the financial year ending 31 December 2008.

B4. Profit Forecast or Profit Guarantee

This is not applicable as no profit forecast was published.

B5. Income Tax Expense

	3 months ended (Quarter)		3 months ended (Cumulative)	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	-	142	-	142
Deferred taxation	(374)	131	(374)	131
Total income tax expense	<u>(374)</u>	<u>273</u>	<u>(374)</u>	<u>273</u>

B6. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There was no sale of unquoted investments and/or properties during the current quarter and financial year-to-date under review.

B7. Quoted Securities

There was no purchase or disposal of quoted and marketable securities during the current quarter and financial year-to-date under review.

TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2008

B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS

B8. Corporate Proposals

Except as disclosed below, there were no corporate proposals announced but not completed as at the date of this report:

On 5 February 2007, the Company announced the proposal to undertake a proposed special issue of up to 71,658,000 new shares in the Company ("Proposed Special Issue") to Bumiputera investors for purposes of meeting the requirements of the National Development Policy. The Proposed Special Issue was approved by the shareholders at the Extraordinary General Meeting held on 18 May 2007.

On 14 June 2007, the Company announced that Bursa Malaysia Securities Berhad has vide its letter dated 13 June 2007, approved in-principle the listing of up to 71,658,000 new ordinary shares of RM0.10 each to be issued pursuant to the Proposed Special Issue.

As at 31 March 2008, the Proposed Special Issue was not yet implemented. The Company was granted an extension of time until 31 December 2008 by the Securities Commission to implement the Proposed Special Issue.

B9. Borrowings

	As at 31.03.2008 RM '000	As at 31.12.2007 RM '000
Hire purchase creditors (unsecured)		
Repayable within one year	764	439
Repayable after one year	650	926
	<u>1,414</u>	<u>1,365</u>
Current liabilities (secured)		
Trade facilities	995	1,684
Term loans	2,329	1,965
Bank overdraft	-	751
	<u>3,324</u>	<u>4,400</u>
Long term liabilities (secured)		
Term loans	<u>8,238</u>	<u>9,041</u>

B10. Off Balance Sheet Financial Instruments

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

B11. Changes in 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 report.

B12. Proposed Dividend

No dividend has been proposed for the current quarter ended 31 March 2008.

TECHFAST HOLDINGS BERHAD

(Company No.: 647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 31 MARCH 2008**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS****B13. Earnings Per Share (“EPS”)**

(a) Basic earnings / (loss) per share

	3 months ended (Quarter)		3 months ended (Cumulative)	
	31.03.2008 RM'000	31.03.2007 RM'000	31.03.2008 RM'000	31.03.2007 RM'000
Net profit/(loss) attributable to equity holders of the parent (RM '000)	(789)	1,880	(789)	1,880
Weighted average number of ordinary shares in issue ('000)	155,706	152,383	155,706	152,383
Basic earnings/(loss) per share (sen)	(0.51)	1.23	(0.51)	1.23

(b) Diluted earnings per share

	3 months ended (Quarter)		3 months ended (Cumulative)	
	31.03.2008 RM'000	31.03.2007 RM'000	31.03.2008 RM'000	31.03.2007 RM'000
Net profit/(loss) attributable to equity holders of the parent (RM '000)	NA	1,880	NA	1,880
Weighted average number of ordinary shares in issue ('000) - basic	NA	152,383	NA	152,383
Adjustment for ESOS ('000)	NA	2,426	NA	2,426
Weighted average number of ordinary shares for diluted earnings per share ('000)	NA	154,809	NA	154,809
Diluted earnings/(loss) per share (sen)	NA	1.21	NA	1.21

The diluted earnings per share in the current quarter under review is not disclosed as the unissued ordinary shares granted to executive employees pursuant to the Company's ESOS have no dilutive effect as the exercise price was above the average market value of the Company's shares.

BY ORDER OF THE BOARD

Chin Ooi Wee
Company Secretary
Dated 28 May 2008