

Condensed Unaudited Consolidated Income Statements
Quarterly report on unaudited consolidated results
For the year ended 31 January 2010

	3 months quarter ended <u>31.01.10</u> RM'000 (Unaudited)	3 months quarter ended <u>31.01.09</u> RM'000 (Audited)	Cumulative 12 months <u>31.01.10</u> RM'000 (Unaudited)	Cumulative 12 months <u>31.01.09</u> RM'000 (Audited)
Revenue	46,327	34,258	147,087	136,418
Cost of sales	<u>(42,060)</u>	<u>(31,821)</u>	<u>(133,651)</u>	<u>(133,272)</u>
Gross profit/(loss)	4,267	2,437	13,436	3,146
Other operating income	(494)	1,563	3,747	3,504
Selling expenses	(288)	(770)	(1,773)	(2,490)
Administrative expenses	(1,999)	(1,724)	(7,196)	(5,741)
Finance costs	(777)	(733)	(3,013)	(3,492)
Profit/(Loss) before taxation	<u>709</u>	<u>773</u>	<u>5,201</u>	<u>(5,073)</u>
Taxation	<u>11</u>	<u>11</u>	<u>42</u>	<u>113</u>
Net profit/(loss) for the period	<u><u>720</u></u>	<u><u>784</u></u>	<u><u>5,243</u></u>	<u><u>(4,960)</u></u>
Attributable to:				
Shareholders of the Company	<u><u>720</u></u>	<u><u>784</u></u>	<u><u>5,243</u></u>	<u><u>(4,960)</u></u>
Basic earnings/(loss) per ordinary share (sen)	0.30	0.33	2.21	(2.09)
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 2009.

Condensed Unaudited Consolidated Balance Sheet

As at 31 January 2010

	<u>As at</u> <u>31.01.10</u> RM'000 (Unaudited)	<u>As at</u> <u>31.01.09</u> RM'000 (Audited)
Assets		
Property, plant and equipment	65,977	69,557
Investment	178	178
Goodwill	33,728	33,728
Total non-current assets	99,883	103,463
Inventories	42,671	33,887
Trade and other receivables	28,759	18,599
Fixed deposits	82	81
Cash and bank balances	1,132	2,410
Total current assets	72,644	54,977
Assets held for sale	-	235
Total assets	172,527	158,675
Equity		
Share capital	118,405	118,405
Reserves	(47,905)	(53,148)
Total equity attributable to shareholders of the Company	70,500	65,257
Liabilities		
Borrowings	15,063	18,693
Hire purchase payables - long term	257	486
Deferred tax liabilities	418	460
Total non-current liabilities	15,738	19,639
Trade and other payables	30,093	22,222
Short term borrowings	55,967	51,328
Hire purchase payables - short term	229	229
Total current liabilities	86,289	73,779
Total liabilities	102,027	93,418
Total equity and liabilities	172,527	158,675
Net assets per share attributable to ordinary shareholders of the Company (sen)	30	27

The Condensed Unaudited Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2009

Condensed Unaudited Consolidated Statement of Changes in Equity
For the year ended 31 January 2010

	Attributable to shareholders of the Company			
	<u>Non-Distributable</u>			
	Share Capital RM'000	Capital Reserves RM'000	Accumulated Losses RM'000	Total RM'000
At 1 February 2009	118,405	17	(53,165)	65,257
Net profit for the year	-	-	5,243	5,243
At 31 January 2010	<u>118,405</u>	<u>17</u>	<u>(47,922)</u>	<u>70,500</u>
At 1 February 2008	118,405	17	(48,205)	70,217
Net loss for the year	-	-	(4,960)	(4,960)
At 31 January 2009	<u>118,405</u>	<u>17</u>	<u>(53,165)</u>	<u>65,257</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 2009.

Condensed Unaudited Consolidated Cash Flow Statement
For the year ended 31 January 2010

	12 months ended <u>31.01.10</u> RM'000 (Unaudited)	12 months ended <u>31.01.09</u> RM'000 (Audited)
Cash flows from operating activities		
Profit/(Loss) before taxation	5,201	(5,073)
Adjustments for:		
Non-cash items	4,838	6,957
Interest expense	3,013	3,492
Interest income	(7)	(24)
Dividend income	(5)	(10)
Operating profit/(loss) before working capital changes	<u>13,040</u>	<u>5,342</u>
Changes in working capital:		
Net change in current assets	(26,725)	(11,391)
Net change in current liabilities	<u>19,560</u>	<u>12,738</u>
Cash used in from operations	5,875	6,689
Interest paid	(1,731)	(2,031)
Tax refund	(9)	2,661
Net cash (used in)/generated from operating activities	<u>4,135</u>	<u>7,319</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,922)	(7,692)
Proceeds from sale of investments	-	-
Dividend income received	5	9
Interest received	6	24
Increase in fixed deposit pledged	(2)	(2)
Net cash used in investing activities	<u>(4,913)</u>	<u>(7,661)</u>
Cash flows from financing activities		
Drawdown of bank borrowings	263,025	4,177
Repayment of bank borrowings	(268,259)	(2,748)
Repayment of hire purchase	(229)	(229)
Interest paid	(1,281)	(1,461)
Net cash (used in)/generated from financing activities	<u>(6,744)</u>	<u>(261)</u>
Net changes in cash and cash equivalents	(7,522)	(603)
Cash and cash equivalents at beginning of the year	<u>2,364</u>	<u>2,967</u>
Cash and cash equivalents at end of the year	<u>(5,158)</u>	<u>2,364</u>
Cash and cash equivalents comprise:		
Cash and bank balances	1,132	2,410
Fixed deposits	82	81
Bank overdraft	<u>(6,290)</u>	<u>(46)</u>
	(5,076)	2,445
Less: Fixed deposits pledged to licensed bank	<u>(82)</u>	<u>(81)</u>
	<u>(5,158)</u>	<u>2,364</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 2009

Notes to the unaudited interim financial report

1. Basis of preparation

This unaudited interim financial report has been prepared in accordance with the Financial Reporting Standards (“FRS”) and the provisions of the Companies Act, 1965 in Malaysia. This unaudited interim financial report also comply with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The unaudited interim financial report has been prepared in accordance with the same significant accounting policies adopted in the annual financial statements for the financial year ended 31 January 2009 except for the significant accounting policies arising from the adoption of new FRSs, revised FRSs and IC Interpretations as set out in Note 2 to the unaudited interim financial report.

The preparation of the unaudited interim financial report requires management to make judgements, estimates and assumptions that affect the application of significant accounting 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 unaudited interim financial report contains condensed unaudited consolidated interim 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 2009. The condensed unaudited 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. Significant accounting policies

New and Revised FRSs, Amendments/Improvements to FRSs and IC Interpretations (“IC Int”)

(a) Adoption of New and Revised FRSs, Amendments/Improvements to FRSs and IC Int

There are no new and revised accounting standards, amendments/improvements to FRSs and IC Int that are effective and applicable for the Group’s financial year ended 31st January 2010.

(b) New and Revised FRSs, Amendments/Improvements to FRSs and IC Int that are issued, not yet effective and have not been adopted early

The Group and the Company have not adopted the following new and revised FRSs, amendments/improvements to FRSs and IC Int that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:

New and Revised FRSs, Amendments/Improvements to FRSs and IC Interpretations (“IC Int”) (Continued)

(b) New and Revised FRSs, Amendments/Improvements to FRSs and IC Int that are issued, not yet effective and have not been adopted early (Continued)

	Effective for financial periods beginning on or after
<u>New FRSs</u>	
FRS 4 Insurance Contracts	1 January 2010
FRS 7 Financial Instruments : Disclosures	1 January 2010
FRS 8 Operating Segments	1 July 2009
FRS 139 Financial Instruments : Recognition and Measurement	1 January 2010
<u>Revised FRSs</u>	
FRS 1 First-time Adoption of Financial Reporting Standards	1 January 2010
FRS 3 Business Combinations	1 July 2010
FRS 101 Presentation of Financial Statements	1 January 2010
FRS 123 Borrowing costs	1 January 2010
FRS 127 Consolidated and Separate Financial Statements	1 July 2010
<u>Amendments/Improvements to FRSs</u>	
FRS 1 First-time Adoption of Financial Reporting Standards	1 January 2010 and 1 July 2010
FRS 2 Share-based Payment	1 January 2010 and 1 July 2010
FRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 January 2010 and 1 July 2010
FRS 7 Financial Instruments: Disclosure	1 January 2010
FRS 8 Operating Segments	1 January 2010
FRS 107 Statement of Cash Flows	1 January 2010
FRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
FRS 110 Events After the Reporting Period	1 January 2010
FRS 116 Property, Plant and Equipment	1 January 2010
FRS 117 Leases	1 January 2010
FRS 118 Revenue	1 January 2010
FRS 119 Employee Benefits	1 January 2010
FRS 120 Accounting for Government Grants and Disclosure of Government Assistance	1 January 2010
FRS 123 Borrowing Costs	1 January 2010
FRS 127 Consolidated and Separate Financial Statements : Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
FRS 127 Consolidated and Separate Financial Statements	1 January 2010
FRS 128 Investment in Associates	1 January 2010
FRS 129 Financial Reporting in Hyperinflationary Economies	1 January 2010

New and Revised FRSs, Amendments/Improvements to FRSs and IC Interpretations (“IC Int”) (Continued)

(b) New and Revised FRSs, Amendments/Improvements to FRSs and IC Int that are issued, not yet effective and have not been adopted early (Continued)

		Effective for financial periods beginning on or after
FRS 131	Interests in Joint Ventures	1 January 2010
FRS 132	Financial Instruments: Presentation	1 January 2010
FRS 134	Interim Financial Reporting	1 January 2010
FRS 136	Impairment of Assets	1 January 2010
FRS 138	Intangible Assets	1 January 2010 and 1 July 2010
FRS 139	Financial Instruments : Recognition and Measurement	1 January 2010
FRS 140	Investment Property	1 January 2010
<u>IC Int</u>		
IC Int 9	Reassessment of Embedded Derivatives	1 January 2010 and 1 July 2010
IC Int 10	Interim Financial Reporting and Impairment	1 January 2010
IC Int 11	FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Int 12	Service Concession Arrangements	1 July 2010
IC Int 13	Customer Loyalty Programmes	1 January 2010
IC Int 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Int 15	Agreements for the Construction of Real Estate	1 July 2010
IC Int 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Int 17	Distributions of Non-cash Assets to Owners	1 July 2010

The Group and the Company plan to adopt the above FRSs, Amendments to FRSs and Interpretations when they become effective in the respective financial period. Unless otherwise described below, the adoption of the above FRSs, Amendments to FRSs and Interpretations upon their initial application are not expected to have any significant impact on the financial statements of the Group and the Company. The Company is exempted from disclosing the possible impact, if any, to the financial statements upon application of FRS 7 and FRS 139.

Audit qualifications

The report of the auditors on the Group’s financial statements for the financial year ended 31 January 2009 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 2010.

9. Segment reporting

The Group's segmental report for the 12 months ended 31 January 2010 are as follows:

	<u>Manufacturing</u>	Investment <u>holding</u>	<u>Others</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
Revenue				
Total	147,217		8,443	155,660
Inter segment	(8,573)	-	-	(8,573)
External	138,644		8,443	147,087
Results				
Segment profit/(loss)	5,506	2,945	(244)	8,207
Interest Income		7		7
Finance costs				(3,013)
Profit before taxation				5,201
Taxation				42
Net profit for the period				5,243

9. Segment reporting (Continued)

The Group's segmental report for the 12 months corresponding year ended 31 January 2009 are 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	10	8,855	145,347
Inter segment	(8,929)	-	-	(8,929)
External	127,553	10	8,855	136,418
Results				
Segment loss	(942)	(654)	(8)	(1,604)
Interest Income	2	21		23
Finance costs				(3,492)
Loss before taxation				(5,073)
Taxation				113
Net loss for the period				(4,960)

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 event subsequent to the end of the current quarter ended 31 January 2010 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>31.01.10</u> RM'000	<u>31.01.09</u> RM'000
(i) Bank guarantees issued to third parties by a subsidiary company	3,403	3,797

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

13. Contingent assets and contingent liabilities (Continued)

- (ii) The Company has issued corporate guarantees totalling RM86.7 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 2010 is RM60.4 million.

14. Capital commitments

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

	<u>31.01.10</u>
	RM'000
Approved and contracted for:	
Property, plant and equipment	385
	<u>385</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 2010 was RM0.71 million as compared to the preceding year corresponding quarter's profit before taxation of RM0.77 million. The profit for the current quarter was mainly due to the increase in sales whilst the preceding year's profit was mainly derived from other income.

16. Variation of results against preceding quarter

The Group recorded a profit before taxation of RM0.71 million on a revenue of RM46.33 million for the current quarter as compared to a profit before taxation of RM0.35 million on a revenue of RM39.34 million for the immediate preceding quarter ended 31 October 2009. The higher profit in the current quarter was mainly attributed to higher sales recorded.

17. Future year prospects

The Group expects the demand for gloves to remain strong however the volatility of natural latex price and depreciating trend in US dollar will remain the challenging factor. The Group will continue to improve productivity, product quality, implement various cost control measures, and try to achieve a better sales mix in order to improve its profitability in the forthcoming financial year.

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 ended <u>31.01.10</u>	Cumulative 12 months ended <u>31.01.10</u>
	RM'000	RM'000
Deferred taxation	<u>11</u>	<u>42</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 was no disposal of unquoted investments for the current financial period.

21. Quoted investment

There were no purchases or sales of quoted securities for the current financial period. Investment in quoted shares as at 31 January 2010 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>466</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>31.01.10</u>	<u>31.01.09</u>
	RM'000	RM'000
Current		
-bank overdraft	6,290	46
-unsecured short term borrowings	46,046	47,858
-term loan (secured)	3,632	3,424
Non-current		
-term loan (secured)	15,063	18,693
	<u>71,031</u>	<u>70,021</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>USD'000</u> <u>equivalent</u>	<u>RM'000</u> <u>equivalent</u>
Contractual value	7,588	18,755

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 2010.

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 year.

27. Basic profit/(loss) per share

	3 months ended	3 months ended	Cumulative 12 months ended	Cumulative 12 months ended
	<u>31.01.10</u>	<u>31.01.09</u>	<u>31.01.10</u>	<u>31.01.09</u>
Net profit/(loss) for the period (RM'000)	720	784	5,243	(4,960)
Number of ordinary shares in issue (*000)	236,810	236,810	236,810	236,810
Basic earnings/(loss) per ordinary share (sen)	0.30	0.33	2.21	(2.09)

28. Authorisation for issue

The unaudited interim financial report were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 March 2010.