

INTERIM FINANCIAL REPORT

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 AUGUST 2007

	Second Quarter		Cumulative Quarter	
	Current Year Quarter 31/08/2007 RM'000	Preceding Year Corresponding Quarter* 31/08/2006 RM'000	Current Year To Date 31/08/2007 RM'000	Preceding Year Corresponding Period* 31/08/2006 RM'000
Revenue	80,606	N/A	160,359	N/A
Operating Expenses	(67,389)	N/A	(135,247)	N/A
Other Operating Income	460	N/A	909	N/A
Profit from Operations	13,677	N/A	26,021	N/A
Finance Cost	(1,588)	N/A	(3,371)	N/A
Share of profit in associate company	1	N/A	7	N/A
Share of profit in joint venture company	17	N/A	39	N/A
Profit before taxation	12,107	N/A	22,696	N/A
Taxation	(3,207)	N/A	(5,869)	N/A
Profit for the period	8,900	N/A	16,827	N/A
Attributable To:				
Equity holders of the parent	8,900	N/A	16,827	N/A
Earnings/(loss) per share				
(a) Basic earnings per share (sen)	5.93	N/A	11.22	N/A
(b) Diluted earnings per share(sen)	N/A	N/A	N/A	N/A

The unaudited condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 28 February 2007 and the accompanying explanatory notes attached to the interim financial reports

Note:-

* There is no comparative figures available as this is the fourth set of quarterly report announced by the Company in compliance with Bursa Malaysia Securities Berhad's requirements. The Group was formed on 10 November 2006.

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UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2007

	UNAUDITED GROUP 31/08/2007 RM'000	AUDITED GROUP 28/02/2007 RM'000
ASSETS		
Non-Current assets		
Property, Plant And Equipment	26,245	25,279
Prepaid land lease payments	1,371	1,388
Investment Properties	11,817	13,087
Investment In An Associate Company	47	40
Investment In A Joint Venture Company	161	122
Other Investments	2,007	2,007
Deferred Tax Assets	901	901
	<u>42,549</u>	<u>42,824</u>
Current assets		
Asset held for disposal	1,270	-
Inventories	126,791	98,265
Trade and Other Receivables	73,947	66,541
Amount Due from An Associate Company	2,666	229
Fixed Deposits	24,507	23,132
Cash and Bank Balances	7,882	9,736
	<u>237,063</u>	<u>197,903</u>
TOTAL ASSETS	<u><u>279,612</u></u>	<u><u>240,727</u></u>
EQUITY AND LIABILITIES		
Share Capital	75,000	75,000
Share Premium	16,067	16,067
Reserves	43,607	26,772
	<u>134,674</u>	<u>117,839</u>
Total Equity	<u>134,674</u>	<u>117,839</u>
Non-current liabilities		
Long Term Borrowings	28,357	27,941
Deferred Taxation	2,217	2,217
	<u>30,574</u>	<u>30,158</u>
Current liabilities		
Trade and Other Payables	24,955	15,479
Overdraft and Short Term Borrowings	86,993	75,588
Amount Due to A Joint Venture Company	68	23
Amount Due to An Associate Company	-	2
Taxation	2,348	1,638
	<u>114,364</u>	<u>92,730</u>
Total Liabilities	<u>144,938</u>	<u>122,888</u>
TOTAL EQUITY AND LIABILITIES	<u><u>279,612</u></u>	<u><u>240,727</u></u>
NET ASSETS PER SHARE OF RM0.50 EACH (RM)	0.90	0.79

The unaudited condensed balance sheet should be read in conjunction with the audited financial statements for the financial year ended 28 February 2007 and the accompanying explanatory notes attached to the interim financial reports

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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 AUGUST 2007

	GROUP 31/08/2007 RM'000	GROUP* 31/08/2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	22,696	N/A
Adjustments for:		
Non-cash items	2,741	N/A
Non-operating items	2,787	N/A
Operating profit before changes in working capital	28,224	N/A
Changes in working capital:-		
Net changes in current assets	(39,797)	N/A
Net changes in current liabilities	9,510	N/A
Net changes in bills payables	10,731	N/A
Cash generated from operations	8,668	N/A
Interest paid	(3,165)	N/A
Interest received	378	N/A
Tax paid	(5,158)	N/A
Net cash generated from operating activities	723	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,786)	N/A
Proceeds from disposal of property, plant and equipment	29	N/A
Net cash used in investing activities	(1,757)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	1,473	N/A
Repayment of borrowings	(1,370)	N/A
Net cash generated from financing activities	103	N/A
NET DECREASE IN CASH AND CASH EQUIVALENTS	(931)	N/A
EFFECT OF EXCHANGE RATE CHANGES	8	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	31,628	N/A
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	30,705	N/A

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 28 February 2007 and the accompanying explanatory notes attached to the interim financial reports.

Note:-

* There is no comparative figures available as this is the fourth set of quarterly report announced by the Company in compliance with Bursa Malaysia Securities Berhad's requirements. The Group was formed on 10 November 2006.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 AUGUST 2007

	← Attributable to Equity Holder of the Parent →				Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Exchange Reserve RM'000	Unappropriated Profit RM'000			
Balance as at 1 March 2007	75,000	16,067	14	26,758	117,839	-	117,839
Currency translation differences	-	-	8	-	8	-	8
Net profit for the period	-	-	-	16,827	16,827	-	16,827
Balance as at 31 August 2007	75,000	16,067	22	43,585	134,674	-	134,674

Note:-

- * There is no comparative figures available as this is the fourth set of quarterly report announced by the Company in compliance with Bursa Malaysia Securities Berhad's requirements. The Group was formed on 10 November 2006.

The unaudited condensed statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 28 February 2007 and the accompanying explanatory notes attached to the interim financial reports

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A. NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements have been prepared under the historical cost convention except for the revaluation of properties included within property, plant and equipment and investment properties which are stated at fair value.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Company for the financial year ended 28 February 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 year ended 28 February 2007.

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted by the Group in the audited financial statements for the financial year ended 28 February 2007. The Group has adopted the following applicable new and revised Financial Reporting Standards (“FRS”) for financial period beginning 1 March 2007:-

(a) FRS 117: Leases

The adoption of the FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The up-front payments made for the leasehold land represents prepaid land lease payments and are amortised on a straight-line basis over the lease term. A lease of land and building is apportioned into lease of land and a lease of building in proportion to the relative fair values of the leasehold interests in the land element and the building element of the lease at the inception of the lease. Prior to 1 March 2007, leasehold land was classified as property, plant and equipment and was stated at valuation less accumulated depreciation and impairment losses. The leasehold land was last revalued in 2006.

Upon the adoption of the FRS 117 at 1 March 2007, the unamortised revalued amount of leasehold land is retained as the surrogate carrying amount of prepaid land lease payments as allowed by the transitional provisions of FRS 117. The reclassification of leasehold land as prepaid land lease payments has been accounted for retrospectively and certain comparative amounts as at 28 February 2007 have been restated.

The following comparative amounts have been restated due to the adoption of FRS 117:

	Previously stated RM'000	FRS 117 RM'000	Restated RM'000
At 28 February 2007			
Property, plant and equipment	26,667	(1,388)	25,279
Prepaid land lease payment	-	1,388	1,388

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(b) FRS 124: Related Party Disclosure

The adoption of FRS 124 have no financial impact to the Group

(c) FRSs and amendment that are mandatory for financial periods beginning on or after 1 January 2007:-

- FRS 6 : Exploration for and Evaluation of Mineral Resources
 - FRS 6 is not relevant to the Company's operations
- Amendment to FRS 119₂₀₀₄ : Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures
 - Amendment to FRS 119₂₀₀₄ is not relevant to the Group's operations

(d) The amendments to published standards, IC Interpretations to existing standards and new revised FRSs effective for the Group and the Company for the financial period beginning on or after 1 July 2007 are as follows:-

- 1) **Amendment to FRS121** - The Effects of Changes in Foreign Exchange Rates
 - Net Investment in a Foreign Operation
- 2) **IC Interpretation 1** - Changes in Existing Decommissioning, Restoration and Similar Liabilities
- 3) **IC Interpretation 2** - Member's Shares in Co-operative Entities and Similar Instruments
- 4) **IC Interpretation 5** - Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- 5) **IC Interpretation 6** - Liabilities arising from Participating in a Specific Market – Waste Electrical and Electrical and Electronic Equipment
- 6) **IC Interpretation 7** - Applying the Restatement Approach under FRS129₂₀₀₄
 Financial Reporting in Hyperinflationary Economics
- 7) **IC Interpretation 8** - Scope FRS2
- 8) **FRS 107** - Cash Flow Statements
- 9) **FRS 111** - Construction Contracts
- 10) **FRS 112** - Income Taxes
- 11) **FRS 118** - Revenue
- 12) **FRS 119** - Employee Benefits
- 13) **FRS 120** - Accounting for Government Grants and Disclosure of Government Assistance

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- 14) **FRS 126** - Accounting and Reporting by Retirement Benefits Plans
- 15) **FRS 129** - Financial Reporting in Hyperinflationary Economics
- 16) **FRS 137** - Provision, Contingent Liabilities and Contingent Assets

The Group and the Company have not early adopted the above Amendments, Interpretations and FRSs.

The above Interpretations are not applicable to the Group and the Company.

The initial application of the above Amendments and FRSs are not expected to have any material impact on the financial statements of the Group and of the Company.

(e) Deferred FRS 139 – Financial Instruments: Recognition and Measurement

The Malaysian Accounting Standards Board has yet to announce the effective date of this standard

A2 Audit report of preceding annual financial statement

The audited financial statements of the Company and its subsidiary companies for the financial year ended 28 February 2007 were not subject to any audit qualification.

A3 Seasonal or cyclical factors

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

A4 Unusual Items due to Their Nature, Size or Incidence

There were no unusual items that affected the assets, liabilities, equity, net income and cash flows of the Group during the quarter under review

A5 Material changes in estimates

There were no changes in estimates that have a material effect during the quarter under review.

A6 Debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy backs, share cancellations, share held as treasury shares and resale of treasury shares during the current quarter and financial year under review.

A7 Dividend Paid

There were no dividends paid during the quarter under review.

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A8 Segment Information

The Group is principally engaged in the business segments of trading of PFF, manufacturing of pipe fittings and investments and management.

	Revenue		Profit before tax	
	----- 6 months ended 31 August 2007 -----			
	Current Year to-date RM'000	Preceding Year Corresponding Period (#) RM'000	Current Year to-date RM'000	Preceding Year Corresponding Period (#) RM'000
Trading of PFF*	134,761	N/A	17,973	N/A
Manufacturing of pipe fittings	35,858	N/A	7,358	N/A
Investments and management	1,383	N/A	459	N/A
	172,002	N/A	25,790	N/A
Inter-segments elimination	(11,643)	N/A	(147)	N/A
	160,359	N/A	25,643	N/A
Unallocated expenses			-	N/A
			25,643	N/A
Interest income			378	N/A
Finance cost			(3,371)	N/A
Share of profit in associate			7	N/A
Share of profit in joint venture			39	N/A
			22,696	N/A

* PFF : Represents pipes, fittings and flow controls

There is no comparative figures available as this is the fourth set of quarterly report announced by the Company in compliance with Bursa Malaysia Securities Berhad's requirements. The Group was formed on 10 November 2006.

There is no geographical segment information as the Group is predominantly operating in Malaysia.

A9 Valuation of Property, Plant and Equipment

There were no changes to the valuation of property, plant and equipment brought forward from the preceding audited financial statements for the year ended 28 February 2007.

A10 Material events subsequent to the end of the interim period

There were no material events subsequent to the current financial quarter to date of this announcement, which is likely to substantially affect the results and the operations of the Group.

A11 Changes in the composition of the Group

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

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A12 Contingent liabilities

As at the date of this announcement, there were no material contingent liabilities incurred by the Group which, upon crystallization would have a material impact on the financial position and business of the Group.

The Company has provided the following corporate guarantees to its subsidiaries:-

	31 August 2007
	RM'000
Corporate guarantees	<u>95,707</u>

A13 Capital Commitments

Authorised capital commitments not provided for in the interim financial statements as at 31 August 2007 are as follows:

	RM'000
Approved and contracted for	16,227
Approved but not contracted for	<u>-</u>
	<u>16,227</u>
Analysed as follows:	
- Property, plant and equipment	<u>16,227</u>

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B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of Performance

For the half year ended 31 August 2007 under review, the Group achieved revenue of RM160.359 million. In line with the revenue recorded, the Group posted profit before taxation of RM22.696 million and profit after taxation of RM16.827 million.

B2 Variation of results against preceding quarter

In the current quarter under review, the Group registered a higher profit after taxation of RM8.9 million as compared to RM7.927 million in the preceding quarter. The higher profit after taxation achieved was mainly due to sales of higher margin products in the current quarter.

B3 Prospects

The Board is of the opinion that the Group will continue to benefit from the current active onshore and offshore oil and gas exploration and related activities in Malaysia and overseas. Barring any unforeseen circumstances, the Board is confident that the Group is positive with its outlook and prospect.

B4 Variance on Forecast Profit/Profit Guarantee

Save for the profit forecast issued in the prospectus dated 29 January 2007, the Group did not issue any forecast or guarantee for the current quarter and therefore this is not applicable. Disclosure on explanatory notes for the variance between actual and forecast results would only be required in the final quarter results for the Group.

Barring any unforeseen circumstances, the Board of Directors is of the opinion that the profit forecast for the financial year ending 29 February 2008 which was announced in the Prospectus dated 29 January 2007 is achievable.

B5 Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
		Quarter (#)		Period (#)
	31-August-07	31-August-06	31-August-07	31-August-06
	RM'000	RM'000	RM'000	RM'000
Current taxation	<u>3,207</u>	N/A	<u>5,869</u>	N/A

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There is no comparative figures available as this is the fourth set of quarterly report announced by the Company in compliance with Bursa Malaysia Securities Berhad's requirements. The Group was formed on 10 November 2006.

Tax expense for the current quarter and financial year to-date ended 31 August 2007 is derived based on the management's best estimate of the tax rates for the year.

B6 Profit on sale of unquoted investments and/or properties

Pantech Corporation Sdn Bhd ("Pantech Corp"), a wholly-owned subsidiary of the Group, has entered into the following sales and purchase agreement:-

- (a) On 4 July 2007, Pantech Corp has entered into a sales and purchase agreement to dispose off a piece of freehold industrial property for a consideration of RM1,750,000. As at the end of current quarter, the disposal transaction has yet to be completed.
- (b) On 20 August 2007, Pantech Corp has entered into two sales and purchase agreement to dispose off 2 pieces of freehold agriculture lands for a total consideration of RM378,420. As at the end of current quarter, the disposal transaction has yet to be completed.

B7 Quoted securities

There were no purchases or disposals of quoted securities during the financial quarter under review and financial year to date.

B8 Status of corporate proposals

There are no corporate proposals announced but not completed as at the date of this quarterly report.

Utilisation of IPO Proceeds

Purpose	Proposed utilisation RM'000	Actual utilisation 31-08-2007 RM'000	Intended timeframe for utilisation	Deviation RM'000	%	Explanations
Capital Expenditure	12,000	3,592	By August 2008	8,408	70	Note (i)
Working Capital	9,100	9,100	-	-	-	n/a
Listing expenses	2,500	2,360	-	140	5.6	Note (ii)
	<u>23,600</u>	<u>15,052</u>		<u>8,548</u>		

(i) Progressive utilization within 18 months from the date of Company's listing.

(ii) The saving of RM140,000 has been utilized as working capital of the Group.

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B9 Group borrowings and debt securities

The Group's borrowings as at the end of the reporting quarter are as follows:-

	Current RM'000	Non-current RM'000
<u>Secured:-</u>		
- Term loans	2,091	6,119
- Hire purchase	1,039	2,238
- Bank overdraft	1,684	-
- Bankers' acceptances, trust receipts and other short term loan	80,330	-
- Domestic resource factoring	1,004	-
	86,148	8,357
<u>Unsecured:-</u>		
- Collateralised loan obligations	845	20,000
	86,993	28,357

B10 Off Balance Sheet Financial Instruments

As at end of current quarter, the Group has the amount of forward exchange contracts with licensed banks as hedges for sales amounted to RM12.6 million. The settlement periods for these contracts are ranging from one to six months.

B11 Material Litigation

There are no pending material litigations as at the date of this quarterly report that has a material effect on the financial position of the Group and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially affect the position or business of the Group.

B12 Dividends

The Board of directors has approved and declared an interim dividend of 2.0 sen per ordinary share less 26% tax each in respect of the financial year ending 29 February 2008 (previous year corresponding period: Nil). The interim dividend will be paid on 10 December 2007 to shareholders whose names appear on the Company's Record of Depositors on 30 November 2007.

The total dividend per share for the current financial year is 2.0 sen less 26% tax.

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B13 Earnings Per Share (Sen)

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	31-August-07	31-August-06	31-August-07	31-August-06
	RM'000	RM'000	RM'000	RM'000
Basic earnings per share				
Net profit attributable to shareholders	8,900	N/A	16,827	N/A
Weighted average number of shares at the end the period ('000)	150,000	N/A	150,000	N/A
Basic earnings per share (sen)	5.93	N/A	11.22	N/A
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

There is no comparative figures available as this is the fourth set of quarterly report announced by the Company in compliance with Bursa Malaysia Securities Berhad's requirements. The Group was formed on 10 November 2006.

Date: 26th October 2007