



CONSOLIDATED RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED 31 DECEMBER 2009

The Board of Directors is pleased to announce the Group's quarterly report on consolidated results for the financial year ended 31 December 2009. The cumulative quarter figures have been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 31.12.2009	Quarter ended 31.12.2008	Year to date ended 31.12.2009	Year to date ended 31.12.2008
		RM'000	RM'000	RM'000	RM'000
Revenue		52,895	40,494	203,315	168,902
Cost of sales		(38,629)	(30,765)	(149,111)	(123,005)
Gross profit		14,266	9,729	54,204	45,897
Other operating income		1,624	1,274	6,314	6,924
Operating expenses		(12,991)	(11,089)	(33,308)	(29,022)
Finance costs		(404)	(496)	(1,481)	(2,198)
Profit/(Loss) before tax		2,495	(582)	25,729	21,601
Tax expenses	19	(1,284)	(901)	(3,484)	(3,320)
Net profit/(loss) for the period		1,211	(1,483)	22,245	18,281
Attributable to :					
Equity holders of the parent		1,288	(1,483)	21,973	18,281
Minority interest		(77)	-	272	-
Net profit/(loss) for the period		1,211	(1,483)	22,245	18,281
Earnings per share attributable to equity holders of the parent:	27				
Basic (sen)		1.71	(1.97)	29.24	24.32
Diluted (sen)		N.A.	N.A.	N.A.	N.A.

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	Audited As At 31.12.2009 RM'000	Audited As At 31.12.2008 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		148,152	154,283
Prepaid lease payments for land		4,592	9,617
Investment properties		5,866	-
Investments		83	83
Intangible asset – Goodwill		20,219	25,519
		178,912	189,502
Current Assets			
Inventories		35,963	33,830
Trade receivables		51,229	40,547
Other receivables, deposits & prepayments		4,880	3,203
Tax recoverable		40	2
Cash and cash equivalents		34,523	28,126
		126,635	105,708
Total Assets		305,547	295,210
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		75,157	75,157
Reserves			
<u>Non-Distributable:</u>			
Share premium		4,210	4,210
Revaluation reserve		13,513	13,513
<u>Distributable:</u>			
Retained profits		138,489	124,783
		156,212	142,506
Minority Interest		2,272	-
Total Equity		233,641	217,663
Non-Current Liabilities			
Borrowings (interest bearing)	23	4,330	9,391
Deferred tax liabilities		14,247	14,223
		18,577	23,614
Current Liabilities			
Trade payables		12,814	4,542
Other payables & accruals		6,206	6,313
Borrowings (interest bearing)	23	33,681	42,274
Current tax payable		628	804
		53,329	53,933
Total Liabilities		71,906	77,547
Total Equity and Liabilities		305,547	295,210
Net assets per share attributable to ordinary equity holders of the parent (RM)		3.08	2.90

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Year to date ended 31.12.2009	Year to date ended 31.12.2008
	RM'000	RM'000
Cash Flow From Operating Activities		
Profit before tax	25,730	21,601
Adjustments for:-		
Non-cash items	22,535	22,189
Non-operating items	985	1,378
Operating profit before working capital changes	49,250	45,168
Net change in current assets	(14,766)	(8,694)
Net change in current liabilities	8,164	(4,297)
Tax paid	(3,674)	(3,130)
Net cash generated from operating activities	38,974	29,047
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	1,918	2,601
Purchase of property, plant and equipment	(13,338)	(21,847)
Cash contributed by minority shareholders of a subsidiary	2,000	-
Interest received	496	820
Net cash used in investing activities	(8,924)	(18,426)
Cash Flow From Financing Activities		
Interest paid	(1,481)	(2,198)
(Repayment)/Drawdown of short term borrowings	(6,498)	13,000
Dividend paid	(8,267)	(8,267)
Repayment of hire purchase	(50)	-
Repayment of term loan	(7,357)	(2,613)
Net cash used in financing activities	(23,653)	(78)
Net increase in cash and cash equivalents	6,397	10,543
Cash and cash equivalents at beginning of financial year	28,126	17,583
Cash and cash equivalents at end of the financial year	34,523	28,126

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the parent					Minority interest	Total Equity
	Share capital	Share premium	Revaluation reserves	Retained profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000		
Balance as at 1 January 2008	75,157	4,210	13,513	114,769	207,649	-	207,649
Profit after tax	-	-	-	18,281	18,281	-	18,281
Dividend for financial year ended -31 December 2007	-	-	-	(6,012)	(6,012)	-	(6,012)
-31 December 2008	-	-	-	(2,255)	(2,255)	-	(2,255)
Balance as at 31 December 2008	75,157	4,210	13,513	124,783	217,663	-	217,663
Balance as at 1 January 2009	75,157	4,210	13,513	124,783	217,663	-	217,663
Cash contributed by minority shareholders of a subsidiary	-	-	-	-	-	2,000	2,000
Profit after tax	-	-	-	21,973	21,973	272	22,245
Dividend for financial year ended - 31 December 2008	-	-	-	(6,012)	(6,012)	-	(6,012)
- 31 December 2009	-	-	-	(2,255)	(2,255)	-	(2,255)
Balance as at 31 December 2009	75,157	4,210	13,513	138,489	231,369	2,272	233,641

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)

PART A – EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING STANDARD (FRS) 134, INTERIM FINANCIAL REPORTING

1 Basis of preparation

The interim financial report has been prepared in accordance with FRS 134: Interim Financial Reporting issued by the Malaysia Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2008.

The significant accounting policies and methods of computation applied in the interim financial report are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2008.

2. Adoption of Revised Financial Reporting Standards

The significant accounting policies applied in the interim financial report are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2008. The Group has not adopted the following new/revised Financial Reporting Standards (“FRS”) and new IC Interpretations (“IC”) that are not yet effective:

<u>FRS, Amendments to FRS & IC Interpretations</u>	<u>Effective Date</u>	
FRS 8	Operating Segments	1 July 2009
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2- Group and Treasury Shares Transactions	1 January 2010
IC Interpretation 13	Customer Loyalty Programme	1 January 2010
IC Interpretation 14	FRS 119- The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
FRS 101	Presentation of Financial Statements	1 January 2010
Amendments to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 7	Financial Instruments: Disclosures	1 January 2010
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendments to FRS 5	Non-current Asset Held for Sale and Discontinued Operations	1 January 2010
Amendments to FRS 8	Operating Segments	1 January 2010
Amendments to FRS 107	Cash Flow Statements	1 January 2010
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010

2. Adoption of Revised Financial Reporting Standards (cont.)

<u>FRS, Amendments to FRS & IC Interpretations</u>	<u>Effective Date</u>
Amendments to FRS 110	Events After the Reporting Period
Amendments to FRS 116	Property, Plant and Equipment
Amendments to FRS 118	Revenue
Amendments to FRS 119	Employee Benefits
Amendments to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendments to FRS 123	Borrowing Costs
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 128	Investments in Associated
Amendments to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendments to FRS 131	Interests in Joint Ventures
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 136	Impairment of Assets
Amendments to FRS 138	Intangible Assets
Amendments to FRS 140	Investment Property
FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combination
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Cession Arrangements
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distribution of Non-cash Assets To Owners

The Group has opted for an early adoption of FRS 4 in respect of Financial Guarantee Contracts which has no material impact on the financial statements of the Group.

3 Qualified audit report

The financial statements for the financial year ended 31 December 2008 was not qualified.

4 Seasonal or cyclical factors

The Group's operation is not significantly affected by seasonal or cyclical factors.

5 Unusual items

Other than those stated in the notes, there are no other items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

6 Changes in estimates

There is no significant change in estimates of amounts reported in prior interim periods of the current or previous financial year.

7 Debt and equity securities

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

8 Dividends paid

	Quarter ended 31.12.2009 RM'000	Year to date ended 31.12.2009 RM'000
Final single tier dividend of 8 sen per ordinary share for financial year ended 31 December 2008 paid on 18 June 2009	-	6,012
Interim single tier dividend of 3 sen per ordinary share for financial year ended 31 December 2009 paid on 17 December 2009	2,255	2,255
	2,255	8,267

9 Segmental information

	Quarter ended		Year to date ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
- Trading	41,661	31,191	158,504	127,713
- Manufacturing	29,949	27,975	118,171	117,683
- Investment Holding	640	84	7,210	8,636
- Others	115	108	453	498
Elimination of inter segment sales	(19,470)	(18,864)	(81,023)	(85,628)
Group Revenue	52,895	40,494	203,315	168,902
<u>Segment Results</u>				
- Trading	1,504	1,335	5,378	5,978
- Manufacturing	1,390	(1,353)	21,944	17,997
- Investment Holding	563	(62)	6,761	8,111
- Others	(8)	(6)	(23)	13
Consolidated Adjustment	(550)	-	(6,850)	(8,300)
Segment Results	2,899	(86)	27,210	23,799
Finance Costs	(404)	(496)	(1,481)	(2,198)
Group Results	2,495	(582)	25,729	21,601

10 Valuation of property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the previous annual financial statements.

11 Subsequent events

In the opinion of the Directors, no item, transaction or event of a material nature has arisen during the period from the end of the reporting period to 18 February 2010 which is likely to affect substantially the results of the operations of the Group for the financial period ended 31 December 2009.

12 Changes in the composition of the Group

There was no change in the composition of the Group for the current quarter under review.

13 Changes in contingent liabilities - unsecured

The contingent liabilities of the Company are as follows:

	Company	
	As at 31.12.2009 RM'000	As at 31.12.2008 RM'000
Guarantee in favour of banks for banking facilities granted to subsidiary companies	37,810	51,665
Guarantee in favour of third parties for supply of goods to subsidiary companies	350	484
	<u>38,160</u>	<u>52,149</u>

14 Capital commitments

	Group As at 31.12.2009 RM'000
Contracted but not provided for in respect of :-	
Purchase of properties for trading division	7,958
Construction of factories	8,520
Plant and equipment	3,109
	<u>19,587</u>

PART B – ADDITIONAL INFORMATION AS REQUIRED BY MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)**15 Review of performance**

For the fourth quarter of 2009, the Group recorded revenue of RM52.9 million which is 30.6% higher as compared to RM40.5 million in the corresponding quarter of last year. Total revenue for the financial year was RM203.3 million, a 20.4% higher than last year's revenue of RM168.9 million. The growth in revenue was mainly attributed to the sales contributed by New Kean Tat Auto Parts Sdn Bhd, a subsidiary subscribed for in the first quarter of 2009.

The Group recorded a Profit Before Tax of RM2.5 million in the current quarter under review as compared to Loss Before Tax of RM0.6 million in the corresponding quarter of last year. Profit Before Tax for the current financial year was RM25.7 million compared with RM21.6 million posted in the previous financial year, representing an increase of 19.0%. The increase in profit was mainly due to increase in revenue and lower manufacturing costs compared to previous financial year.

16 Variation of results against preceding quarter

The Group's Profit Before Tax for the current quarter under review of RM2.5 million represented a 74.7% or RM7.4 million decline as compared to the immediate preceding quarter's profit of RM9.9 million. The decrease in the Group's Profit Before Tax was primarily due to the impact of the goodwill impairment of RM5.3 million recognised during the quarter under review and higher prices of raw material as compared to preceding quarter.

17 Current year prospects

The Group expects the operating conditions for 2010 to remain challenging and competitive despite signs of improving global economic conditions. With the Group's skilled and innovative human resources, the Group is of the view that its financial performance for the coming year would remain positive.

18 Profit forecast

Not applicable as no profit forecast was published.

19 Tax expenses

	Quarter ended 31.12.2009 RM'000	Year to date ended 31.12.2009 RM'000
Tax expenses	803	3,459
Deferred tax liabilities	481	25
	<u>1,284</u>	<u>3,484</u>

The effective tax rate of the Group for the current quarter is 51.4% and year to date is 13.5%. However, without taking the impact of goodwill impairment, the effective tax rate for the current quarter is 16.5% and year to date is 11.2%. This is lower than the statutory tax rate mainly because of the utilisation of reinvestment allowances by certain subsidiary companies of the Group.

20 Unquoted investments

There was no disposal of unquoted investments during the quarter under review.

21 Quoted investments

There was no purchase nor disposal of quoted securities for the current quarter. As at the end of the current quarter, the Group does not hold any investment in quoted shares.

22 Status of corporate proposal

- (a) There were no corporate proposals announced but not completed as at 18 February 2010.
(b) Utilisation of proceeds raised from corporate proposals: Not applicable.

23 Group borrowings and debt securities (unsecured)

	As at 31.12.2009 RM'000
Current	
Term loans	2,198
Bankers' acceptance	31,402
Hire purchase payables	83
	<u>33,683</u>

23 Group borrowings and debt securities (unsecured) (cont.)**Non-current**

Term loans	4,210
Hire purchase payables	117
	<u>4,327</u>
Total Borrowings	<u><u>38,010</u></u>

There are no borrowings denominated in foreign currency.

24 Off balance sheet financial instruments

There are no financial instruments with off balance sheet risks as at 18 February 2010.

25 Material litigation

The Group is not engaged in any material litigation and is not aware of any proceedings, which might materially affect the position or business of the Group as at 18 February 2010.

26 Dividends

The Board of Directors is pleased to propose a final single tier dividend of 8 sen and a special final single tier dividend of 1 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 December 2009 amounting to RM6,764,094 (2008 : single tier 8 sen per ordinary share amounting to RM6,012,528).

The proposed final dividends are subject to the approval of shareholders at the forthcoming Annual General Meeting of the Company. These dividends, upon approval by the shareholders, will be accounted for as an appropriation of retained earnings in the year in which it is declared. The dividend payment date and entitlement date will be advised later.

27 Earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Year to date ended	Year to date ended
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Net profit/(loss) attributable to equity holders of the parent (RM'000)	1,288	(1,483)	21,973	18,281
Number of ordinary shares in issue	75,156,600	75,156,600	75,156,600	75,156,600
Basic earnings per share (sen)	1.71	(1.97)	29.24	24.32

By Order of the Board

YEOH CHONG KEAT
REBECCA LEONG SIEW KWAN
Secretaries

Kuala Lumpur
25 February 2010