



**CONSOLIDATED RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED 31 MARCH 2010**

The Board of Directors is pleased to announce the Group's un-audited quarterly report on consolidated results for the period ended 31 March 2010.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 31.03.2010	Quarter ended 31.03.2009	Year to date ended 31.03.2010	Year to date ended 31.03.2009
		RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>		<b>52,845</b>	<b>45,537</b>	<b>52,845</b>	<b>45,537</b>
Cost of sales		(39,019)	(34,647)	(39,019)	(34,647)
Gross profit		13,826	10,890	13,826	10,890
Other operating income		1,893	1,727	1,893	1,727
Operating expenses		(8,138)	(6,304)	(8,138)	(6,304)
Finance costs		(391)	(418)	(391)	(418)
<b>Profit before tax</b>		<b>7,190</b>	<b>5,895</b>	<b>7,190</b>	<b>5,895</b>
Tax expenses	19	(734)	(243)	(734)	(243)
<b>Net profit for the period</b>		<b>6,456</b>	<b>5,652</b>	<b>6,456</b>	<b>5,652</b>
Other comprehensive income, net of tax		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>6,456</b>	<b>5,652</b>	<b>6,456</b>	<b>5,652</b>
Profit attributable to :					
Equity holders of the parent		6,405	5,599	6,405	5,599
Minority interest		51	53	51	53
<b>Net profit for the period</b>		<b>6,456</b>	<b>5,652</b>	<b>6,456</b>	<b>5,652</b>
Total comprehensive income attributable to :					
Equity holders of the parent		6,405	5,599	6,405	5,599
Minority interest		51	53	51	53
<b>Total comprehensive income for the period</b>		<b>6,456</b>	<b>5,652</b>	<b>6,456</b>	<b>5,652</b>
<b>Earnings per share attributable to equity holders of the parent:</b>	28				
Basic (sen)		8.52	7.45	8.52	7.45
Diluted (sen)		N.A.	N.A.	N.A.	N.A.

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009)*

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited As At 31.03.2010 RM'000	(Restated) Audited As At 31.12.2009 RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		155,070	152,744
Investment properties		14,962	5,866
Investments		83	83
Intangible asset – Goodwill		20,219	20,219
		190,334	178,912
<b>Current Assets</b>			
Inventories		35,454	35,963
Trade receivables		49,925	51,229
Other receivables, deposits & prepayments		3,820	4,880
Current tax assets		83	40
Cash and cash equivalents		40,910	34,523
		130,192	126,635
<b>Total Assets</b>		<b>320,526</b>	<b>305,547</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
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		144,894	138,489
		162,617	156,212
<b>Minority Interest</b>		2,323	2,272
<b>Total Equity</b>		<b>240,097</b>	<b>233,641</b>
<b>Non-Current Liabilities</b>			
Borrowings (interest bearing)	23	3,753	4,330
Deferred tax liabilities		14,143	14,247
		17,896	18,577
<b>Current Liabilities</b>			
Trade payables		11,094	12,814
Other payables & accruals		3,460	6,206
Borrowings (interest bearing)	23	47,266	33,681
Current tax payable		713	628
		62,533	53,329
<b>Total Liabilities</b>		<b>80,429</b>	<b>71,906</b>
<b>Total Equity and Liabilities</b>		<b>320,526</b>	<b>305,547</b>
Net assets per share attributable to ordinary equity holders of the parent (RM)		3.16	3.08

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009)*

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Year to date ended 31.03.2010</b>	<b>Year to date ended 31.03.2009</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flow From Operating Activities</b>		
Profit before tax	7,190	5,895
Adjustments for:-		
Non-cash items	4,480	3,833
Non-operating items	213	310
Operating profit before changes in working capital	11,883	10,038
Net change in current assets	2,736	(3,678)
Net change in current liabilities	(4,466)	3,981
Tax paid	(796)	(746)
<b>Net cash generated from operating activities</b>	<b>9,357</b>	<b>9,595</b>
<b>Cash Flows From Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	42	1,415
Purchase of property, plant and equipment	(15,806)	(2,894)
Cash contributed by minority shareholders of a subsidiary	-	2,000
Interest received	178	109
<b>Net cash (used in)/from investing activities</b>	<b>(15,586)</b>	<b>630</b>
<b>Cash Flow From Financing Activities</b>		
Interest paid	(391)	(418)
Drawdown/(Repayment) of short term borrowings	13,569	(10,300)
(Repayment of)/Proceeds from hire purchase	(16)	120
Repayment of term loan	(546)	(1,091)
<b>Net cash from/(used in) financing activities</b>	<b>12,616</b>	<b>(11,689)</b>
Net increase/(decrease) in cash and cash equivalents	6,387	(1,464)
Cash and cash equivalents at beginning of financial period	34,523	28,126
<b>Cash and cash equivalents at end of the financial period</b>	<b>40,910</b>	<b>26,662</b>
<b>Cash and cash equivalents comprise of :</b>		
Cash and bank balances	11,423	11,072
Short term placements	29,487	15,590
	<b>40,910</b>	<b>26,662</b>

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009)*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to equity holders of the parent						Minority interest	Total Equity
	Non-distributable			Distributable		Total		
	Share capital	Share premium	Revaluation reserves	Retained profits				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
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	
Total comprehensive income for the period	-	-	-	5,599	5,599	53	5,652	
<b>Balance as at 31 March 2009</b>	<b>75,157</b>	<b>4,210</b>	<b>13,513</b>	<b>130,382</b>	<b>223,262</b>	<b>2,053</b>	<b>225,315</b>	
Balance as at 1 January 2010	75,157	4,210	13,513	138,489	231,369	2,272	233,641	
Total comprehensive income for the period	-	-	-	6,405	6,405	51	6,456	
<b>Balance as at 31 March 2010</b>	<b>75,157</b>	<b>4,210</b>	<b>13,513</b>	<b>144,894</b>	<b>237,774</b>	<b>2,323</b>	<b>240,097</b>	

*(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 2009)*

## **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 2009.

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 2009.

### **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 2009 except for the adoption of the following new/revised Financial Reporting Standards (“FRSs”), Amendments to FRSs and new IC Interpretations (“IC”) with effective from 1 January 2010:-

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (Revised 2009)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards
Amendment to FRS 2	Share-based Payment - Vesting Conditions and Cancellations
Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Statement of Cash Flows
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events after the Reporting Period
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 118	Revenue
Amendment to FRS 119	Employee Benefits
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 127	Consolidated and Separate Financial Statements
Amendment to FRS 128	Investments in Associates
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendment to FRS 131	Interest in Joint Ventures
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets

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

Amendment to FRS 138	Intangible Assets
Amendment to FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 -Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119- The Limit on a Defined Benefit Asset, Minimum Funding Requirement and their Interaction

The adoption of the above FRSs, Amendments to FRSs and IC Interpretations did not result in any significant financial impact on the results of the Group except for the following:

### (a) FRS 8: Operating Segments (FRS 8)

FRS 8 requires segment information to be presented on a similar basis to that used for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on the internal reporting to the chief operating decision maker who makes decisions on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position and results of the Group.

### (b) FRS 101: Presentation of Financial Statements (FRS 101)

FRS 101 separates owner and non-owner changes in equity. Therefore, the current consolidated statement of change in equity only includes details of transactions with owners. All non-owner changes in equity, if any, will be presented as a single line labelled as total comprehensive income. In addition, the consolidated balance sheet was renamed as the consolidated statement of financial position in the interim financial report. This standard did not have any impact on the financial position and results of the Group.

### (c) Amendments to FRS 117 : Leases

Amendments to FRS 117 remove the classification of leases of land and building, and instead, require assessment of classification based on the risks and rewards of the lease itself.

Upon the adoption of the Amendments to FRS 117, the Group has reclassified its leasehold land from prepaid lease payments to property, plant and equipment on the consolidated statement of financial position.

The effects of the reclassification on the consolidated statement of financial position as at 31 December 2009 are as follows:-

	<b>Restated</b>	<b>Previously Stated</b>
	<b>RM'000</b>	<b>RM'000</b>
Property, plant and equipment	152,744	148,152
Prepaid lease payment for lands	-	4,592

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

### (d) FRS 139: Financial Instruments- Recognition and Measurement (FRS139)

FRS 139 sets out the new requirement for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 January 2010.

#### Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, AFS financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

#### (i) Loans and receivables

Prior to 1 January 2010, loans and receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate method. Gains and losses arising from the derecognition of the loans and receivables, amortization and impairment losses are recognized in the income statement.

#### Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables, loans and borrowings, and are carried at amortised cost.

The Group has not adopted the following new/revised FRSs, Amendments to FRSs and IC that were in issue but not yet effective:

		<u>Effective Date</u>
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combination	1 July 2010
FRS 127	Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 2	Share-based Payment	1 July 2010
Amendments to FRS 5	Non-current Assets held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 138	Intangible Assets	1 July 2010
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 July 2010
IC Interpretation 12	Service Cession Arrangements	1 July 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010

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

IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distribution of Non-cash Assets To Owners	1 July 2010
Amendments to FRS1	First-time Adoption of Financial Reporting Standards -Limited Exemption From Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 7	Financial Instruments: Disclosures Improving Disclosures about Financial Instruments	1 January 2011

**3 Qualified audit report**

The financial statements for the financial year ended 31 December 2009 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**

There were no dividends paid during the quarter under review.

**9 Segmental information**

	Quarter ended		Year to date ended	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
- Trading	40,146	36,366	40,146	36,366
- Manufacturing	30,742	26,789	30,742	26,789
- Investment Holding	96	90	96	90
- Others	-	110	-	110
Elimination of inter segment sales	(18,139)	(17,818)	(18,139)	(17,818)
Total Segment Revenue	52,845	45,537	52,845	45,537



**9 Segmental information (cont.)**

	Quarter ended		Year to date ended	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	RM'000	RM'000	RM'000	RM'000
<u>Segment Results</u>				
- Trading	1,077	811	1,077	811
- Manufacturing	6,530	5,557	6,530	5,557
- Investment Holding	(21)	(45)	(21)	(45)
- Others	(5)	(10)	(5)	(10)
Consolidated Adjustment	-	-	-	-
Total Segment Results	7,581	6,313	7,581	6,313
Finance Costs	(391)	(418)	(391)	(418)
Group Results	7,190	5,895	7,190	5,895

**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 06 May 2010 which is likely to affect substantially the results of the operations of the Group for the financial period ended 31 March 2010.

**12 Changes in the composition of the Group**

The Group had on 02 March 2010 acquired the entire equity interest in Auto Global Parts Industries Sdn Bhd, a company incorporated in Malaysia, totaling 2 ordinary shares of RM1.00 each at par.

Save as disclosed above, there was no other changes in the composition of the Group during the quarter under review.

**13 Changes in contingent liabilities - unsecured**

The contingent liabilities of the Company are as follows:

	Company	
	As at 31.03.2010 RM'000	As at 31.12.2009 RM'000
Guarantee in favour of banks for banking facilities granted to subsidiary companies	50,834	37,810
Guarantee in favour of third parties for supply of goods to subsidiary companies	357	350
	<u>51,191</u>	<u>38,160</u>

**14 Capital commitments**

	<b>Group As at 31.03.2010 RM'000</b>
Contracted but not provided for in respect of :-	
Construction of factory	5,579
Plant and equipment	1,982
	<u>7,561</u>

**PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)**

**15 Review of performance**

For the first quarter of 2010, the Group recorded revenue of RM52.8 million which is 16.0% higher as compared to RM45.5 million in the corresponding quarter of last year. This was mainly due to higher demand for both domestic and export sales during the quarter.

The Group recorded a Profit Before Tax of RM7.2 million in the current quarter under review as compared to RM5.9 million in the corresponding quarter of last year, representing an increase of 22.0%. The increase in profit is mainly due to increase in revenue and lower manufacturing costs as compared to corresponding quarter last year.

**16 Variation of results against preceding quarter**

The Group's Profit Before Tax for the current quarter of RM7.2 million is higher as compared to RM2.5 million in the preceding quarter. Without taking into consideration the impact of goodwill impairment of RM5.3 million in the preceding quarter, the current quarter profit would have decreased by 7.7% compared to the preceding quarter. The decrease was mainly due to higher manufacturing costs.

**17 Current year prospects**

The Group expects the operating conditions to remain challenging and competitive. Barring unforeseen circumstances, the Group will be able to continue its positive performance in the current financial year.

**18 Profit forecast**

Not applicable as no profit forecast was published.

**19 Tax expenses**

	<b>Quarter ended 31.03.2010 RM'000</b>
Tax expenses	839
Deferred tax liabilities	(105)
	<u>734</u>

The effective tax rate of the Group for the current quarter is 10.2%. 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 06 May 2010.

(b) Utilisation of proceeds raised from corporate proposals: Not applicable.

**23 Group borrowings and debt securities (unsecured)**

	<b>As at 31.03.2010 RM'000</b>
<b>Current</b>	
Term loans	2,212
Bankers' acceptance	44,971
Hire purchase payables	83
	47,266
<b>Non-current</b>	
Term loans	3,651
Hire purchase payables	102
	3,753
	51,019
<b>Total Borrowings</b>	
Term Loans	5,863
Bankers' acceptance	44,971
Hire purchase payables	185
	51,019

There are no borrowings denominated in foreign currency.

**24 Changes in fair value of financial instruments**

The carrying amounts of the financial instruments of the Group as at balance sheet date approximate their fair values due to relatively short term maturity of these financial instruments except as set out below:

	<b>Group</b>	
	<b>Carrying amount RM'000</b>	<b>Fair value RM'000</b>
<b>At 31 March 2010</b>		
Term loans	5,863	5,764
Hire purchase creditors	185	188
	5,863	5,764

Fair value is determined by using estimated discounting future cash flows at the current market interest rate available to the Group for similar instruments.

**25 Off balance sheet financial instruments**

There are no financial instruments with off balance sheet risks as at 06 May 2010.

**26 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 06 May 2010.

**27 Dividends**

The Board of Directors has not recommended any interim dividend for the financial quarter ended 31 March 2010.

**28 Earnings per share**

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Quarter ended 31.03.2010</u>	<u>Quarter ended 31.03.2009</u>	<u>Year to date ended 31.03.2010</u>	<u>Year to date ended 31.03.2009</u>
Net profit attributable to equity holders of the parent (RM'000)	6,405	5,599	6,405	5,599
Number of ordinary shares in issue	75,156,600	75,156,600	75,156,600	75,156,600
Basic earnings per share (sen)	8.52	7.45	8.52	7.45

By Order of the Board

YEOH CHONG KEAT  
REBECCA LEONG SIEW KWAN  
Secretaries

Kuala Lumpur  
13 May 2010